EMPLOYMENT SERVICE REVIEW

MARCH 1965

MANPOWER AROUND THE WORLD

contents

articles

MANPOWER PLANNING IN A DEVELOPING ECONOMY, Louis Levine, BES ---- 1

AFGHANISTAN: A Modern Employment Service Beyond the Khyber Pass, Glenn E. Halm, BES ---- 5

CANADA: An Employment Service Geared to Manpower Needs, William Thomson, Canada ---- 9

GREAT BRITAIN: The Youth Employment Service ---- 13

JAPAN: An Active Employment Policy, Employment Security Bureau, Japan ---- 16

CYPRUS: Mission in Nicosia, Richard R. Zoeckler, BES ---- 24

VENEZUELA: Goals of the National Employment Service, Malcolm Kennedy, AID ---- 27

NORWAY: The Norwegian Employment Service, Joseph J. Gibbons, Connecticut ---- 30

WEST GERMANY: Federal Institute for Employment Service and Unemployment Insurance, Anton Sabel, Germany ---- 34

NORTH AMERICAN CONFERENCE ON THE MANPOWER IMPLICATIONS OF AUTOMATION, Toba S. Herzenberg, BES ---- 36

ES CONTRIBUTES TO INTERNATIONAL COOPERATION, Frank Dischel, BES ---- 46

THE ILO AND MANPOWER DEVELOPMENT, David A. Morse, ILO ---- 50

NEW APPROACHES TO LABOR AND MANPOWER TECHNICAL ASSISTANCE, James F. Taylor, ILAB ---- 57

BUILDING MANPOWER INSTITUTIONS IN DEVELOPING COUNTRIES, Burnie Merson, ILAB ---- 59

THE MANPOWER POLICIES OF THE OECD, Solomon Barkin, OECD ---- 61

departments

ES NEWSLETTER ---- 19

MANPOWER TRENDS ---- 53

LOCAL OFFICE ACTIVITIES ---- 68

STATISTICS ---- 70

Photo credits

Arabian American Oil Company, British Embassy, Canadian National Film Board, German Information Center, International Labour Organisation, Japan Air Lines, Lufthansa German Airlines, Norwegian National Travel Office, and Scandinavian Airlines System.

Cover photo

By B. Anthony Stewart and John E. Fletcher
(c) 1961 National Geographic Society

EMPLOYMENT SERVICE REVIEW

MARCH 1965
Vol. 2 No. 3

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary
MANPOWER ADMINISTRATION
BUREAU OF EMPLOYMENT SECURITY
U.S. EMPLOYMENT SERVICE

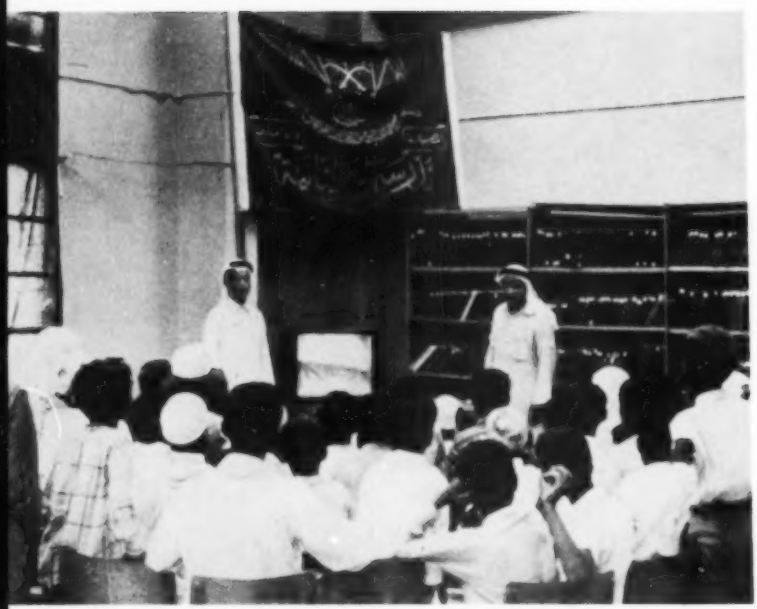
EMPLOYMENT SERVICE REVIEW

ELSIE SOLTAR DORMAN, Editor

A MONTHLY JOURNAL OF
FEDERAL-STATE EMPLOYMENT SERVICE
PROGRAMS AND OPERATIONS

BUREAU OF EMPLOYMENT SECURITY
Robert C. Goodwin, Administrator
U.S. EMPLOYMENT SERVICE
LOUIS LEVINE, DIRECTOR

Manpower Planning in a Developing Economy



Saudi Arabia students watch an educational television program.

LOUIS LEVINE
DIRECTOR
U.S. EMPLOYMENT SERVICE

There exists a widely held view that the index to the achievement of a people and the success of a nation is the level of its economic activity and the degree of its industrial development. Economic development is a widely sought objective, not only in countries whose economies are dominated by agricultural and natural resources-based activities, but even in countries which are highly industrialized.

Too often there is a tendency to assess economic development, both accomplished and potential, in physical terms. Great stress is placed upon such natural resources as arable lands, forests, minerals and oil, water and waterways for agriculture, fishing, power, and transportation. By the same token, great importance attaches to industrial plant and equipment. High on the priority list are plants for making steel and the most advanced metal products, including machine tools. Indeed, the greater the sophistication of the product or the technique—electronics for example—the more it is desired as a prestige symbol evidencing economic development. Clearly, this conception is naive and may even be dangerous to the economic well-being of a nation. Equally important, however, it often results in a failure to take stock of the resource most crucial to all economic development—manpower resources.

All of us are so much a part of these human resources that we tend to take them for granted. When we stop to think about it, however, we recognize that manpower is more than a means to an end. Indeed, human better-

ment is the end to which all activities of all institutions should be directed. It is almost impossible for us to be completely objective in appraising manpower resources for economic development. Value judgments are not made independently of the environment and background from which they derive. Myth and fable, ignorance and suspicion are inextricably interwoven with objectively established facts in the manpower field.

In the final analysis, the economic development of a people and a nation will be determined by the quality and performance of the manpower resource. Without competent and effective manpower, no significant economic development is likely. With such manpower there are few limits to economic development. Manpower effectiveness is not an innate quality. Preparation and development of manpower resources and their optimum utilization are prerequisites to assuring maximum contribution to economic growth. No easy, quick, or simple way exists to assure this basic ingredient in the economic life of a nation.

The manpower resource is unique among all resources that must be taken into account in economic and industrial development. It is not possible to separate the economic character of manpower from its social, cultural, and political characteristics. Manpower data which consist of gross aggregates and reflect only general overall characteristics are therefore wholly inadequate for evaluating the contribution which manpower can make to economic growth.

Indeed such data may actually be misleading. They may suggest a homogeneity which does not exist and, at the same time, fail to disclose significant differences which might be found in the component elements.

Detailed manpower information, comparable over a period of time is needed on the personal characteristics, education, training, and work experience of the labor force and of those not in the work force. Such information is also needed, classified by industry and occupation and by geographic region and local area. Although manpower statistics do not tell the whole story or provide explanations for all manpower phenomena, they are essential to our understanding of the manpower situation. The sources from which manpower data must be collected are coextensive with the institutions which mold and shape manpower resources. Thus the family, the church, the schools and training facilities, the Armed Forces (which provide a form of employment and training), and the employing establishments must all be tapped to provide required manpower information.

Formal institutions and organized activities do not alone prepare and develop manpower resources. Leisure-time activities, sports and play, avocations and hobbies can contribute significantly to the learning process, to manual dexterity, to familiarity with tools and equipment, and to industrial disciplines such as punctuality, orderliness,

Agricultural education is of prime importance for these Indian farmers.

West Africans are learning metalworking skills.

This chocolate factory is creating new jobs for Venezuelan workers.

observance of rules and regulations, and team effort.

Too often, inadequate attention is directed to approaches outside of educational and training institutions which may be taken, especially with youth, to develop initiative, imagination, competitive drive, and other characteristics which are essential to effective manpower and a competent work force.

The manpower resource is unique in another important respect—the long "lead time" involved in its preparation and development—before it can really play its central role in the nation's economy. Indeed a clue to the stage of economic development and industrial sophistication of a nation may be found in the number of years of schooling and training required, the level of education and technical know-how needed, before an individual may become a member of the work force and participate effectively. In every developing nation, this lead time is lengthening, as it is in the most industrialized nations. The importance of this feature of the manpower resource cannot be overstressed.

Above everything else, the long lead time for manpower resources highlights the need for advance planning on a long-range basis. Manpower planning, to be meaningful, must be carried forward on at least a 10-year basis and, with increasing economic development, the forward period for such planning needs to be extended to 20 to 25 years. The extent to which such planning may be reliable depends in a large measure upon the amount and kind of the manpower data collected and analyzed over a considerable period of time. Demographic data—vital statistics on population, population growth, births and deaths—are highly important to manpower planning.

The size and character of a nation's work force, as related to its population, are dependent to a considerable degree on popular and individual understanding and acceptance of the value of being a member of the work force and participating in a nation's economic life.

Even in the most authoritarian form of government, effectiveness of manpower rests upon the degree to which workers are motivated to make their maximum contribution. This explains why in a slave economy manpower is generally ineffective. By the same token, every nation which seeks to obtain the maximum contribution from its manpower must provide incentives and appeals which are persuasive and widely accepted. In various forms of government, the appeals take many forms such as national pride, patriotism, higher living standards, individual gain, and pride in craftsmanship. All of these are elements to bring about increased manpower effectiveness. No single appeal to motivate manpower is sufficient. Almost always a combination of approaches is required.

Family life, mores and customs, religion and education all play a part in the motivation of human resources. Too often, there is a tendency to regard monetary incentives (wages and salaries) as the single most important inducement to increased creativity and productivity. There can be no denial that this is indeed a most important consideration. Nevertheless, many nonmonetary and fringe benefits also serve as important incentives and inducements to achieve more effective manpower. Among these are vacations, retirement, access to health services, security, and tenure. In the same category belong incentives which take account of the human need for recognition through awards, prizes, increased prestige, and status within the human society.

Human Resources Investment

A nation's investment in its human resources represents a major capital investment which, perhaps as much as any other investment, will assure economic growth. Only in recent years have we come to realize that the index to a nation's strength, and its capacity to compete in world markets and to exercise a role in world leadership, depends almost entirely upon the skill and competence, the technical know-how, and the sheer brainpower of its human resources. As a consequence, increasing attention is being directed to education and training insofar as these can be clearly identified as contributing directly to industrial production, increased output, and expansion of markets. This explains why greater emphasis is being given to "practical" elements in education, such as vocational education and training in skills in production and in related and supporting activities.

The notion still prevails in some segments of society that expenditures for education represent welfare expenditures, and that they belong to the category of social betterment but have little economic significance. This is a wholly erroneous conception of the contribution which all education and formal schooling make to lifting the levels of a people in all aspects of human activity. Indeed, one might say that there is a widespread need for re-examining the whole concept of welfare expenditures and the degree to which they contribute to economic growth and expansion. To the extent that such expenditures improve living conditions and health, and offer other benefits to people, they are reflected in increased economic contributions.

The most narrow and practical element of education, training, and other manpower services can of course be directly related to economic advancement and to industrial devel-

opment. Before such an investment can be made on a rational basis, however, requisite data relating to current levels and anticipated changes in the economy must be available. These data must deal not only with aggregates; they must also be available for component elements of the economy. They are needed for agriculture and industry, by occupation, and by geographic sections, in order to guide investment in education and training intelligently.

Because so many elements of the economy are interdependent and so many institutions have a bearing on manpower effectiveness, it is important that there be a maximum interchange of experience and knowledge among the various sectors (agriculture, industry, government, professional services, health and social agencies), and the manpower service agencies. Skill development and advanced technical know-how, properly understood and utilized, have an important influence on plant and industrial location. Likewise, they influence the attraction of capital investment, the distribution of goods and industries, and the creation and expansion of markets.

Investment in human resources, perhaps more than investment in any other economic resource, is the best evidence of round-about capital investment and growth. This process of capital growth has generally proved to be successful in every type of society. Investment in human resources can, in the long run, bring about economic betterment in greater output than would have been achieved without such investment.

The National Interest in Manpower

The achievement of national political and economic aspirations, as has already been indicated, depends to a considerable measure on manpower effectiveness. This in turn depends upon motivation, education and training, and utilization of manpower at its highest capacity and potential. The extent to which a nation can achieve its objectives turns on the degree to which it has established clear-cut goals based on an intelligent assessment of its existing resources and manpower capabilities and how these can be brought together to achieve economic growth.

In the manpower field, the preparation, development, and utilization of manpower through the efforts of the central government require a full understanding of the importance of manpower policy formulation and program development and of the central direction that must be given to policy and program. The government must assure that policy and program will be accompanied by coordination of those government resources and capabilities which impinge on or shape and influence manpower development and utilization. As a rule, this necessitates close working relationships among a wide range of government agencies and institutions concerned with education, training, employment and unemployment, health, social welfare, and related problems.

The Kasbah in Tunis.

The central government must also provide technical services and assistance to its component manpower operating elements. These must reach into every locality and area where manpower resources can make a contribution to the economy. This means that the central government has a responsibility for research and technical development, the preparation of manuals and procedural materials, and the training of its component elements to use the results of the research and to apply instructions and procedures.

In the manpower service field, the central government must give great emphasis to research and technological development in the collection and dissemination of information relating to employment, unemployment, labor supply and demand, changing hiring specifications, and industry labor requirements. Such information is needed not only by government agencies but also by employers, labor organizations, and civic and social groups whose activities influence manpower development and use. Similarly, the central government must develop techniques and methods for occupational analysis—the study of occupations, their skill content, physical and mental requirements, and other characteristics. Oc-

The market in Tunis.

Textile plants are often well suited to the needs of developing nations.

cupational change needs to be analyzed along with changing industrial methods of production and technological change. This information must be made available through the manpower service to the schools, training institutions, industry, and labor in order to assure that skill development is keeping abreast of advancing technical and industrial requirements.

There is need also for the development of occupational test techniques and materials—both for aptitude and performance tests. Such tests are basic tools required by the schools, training institutions, and manpower services generally in assessing the manpower potential and levels of capability, not only of youth but of other workers who for one reason or another need some kind of job market assistance in order to obtain employment and make their economic contribution. The central government should prepare and develop a school guidance and employment counseling program. Such a program, taking advantage of the tools and techniques referred to above, and in the hands of skilled counselors and guidance personnel, can make a major contribution in assuring that maximum development and utilization of the manpower resources will take place.

In addition, the central government also has responsibility for assuring that the implementation of manpower policy and program takes place. This is achieved through a system of evaluation and appraisal of performance. Too often, the central government confuses this responsibility with the performance of manpower operations. When this occurs, it reflects a failure to understand the importance of delegation of responsibilities to the level where they can best be carried out. A system of evaluation and appraisal requires understanding, in the first instance, of the manpower goals and objectives. It requires the development of yardsticks or measures which serve to indicate the degree to which these objectives and goals are being accomplished. A wide variety of assessment techniques are available. Among these is the development of a system of accounting and program statistics which indicates expenditures of funds and staff resources, the types of activity to which these were directed, and the results which were achieved. In addition, on-site observation is a necessary part of assessment and evaluation.

The Decentralized Character of Manpower Performance

Although the central government has a basic responsibility with respect to maximizing manpower effectiveness, it must recognize that, in the final analysis, manpower performance takes place at a decentralized level—in the region and the locality.

It is in the local area where plants exist, where people live, where youngsters go to school that manpower resources are being prepared, developed, and utilized. As a consequence, to the extent to which government resources and facilities are brought to the local areas, there is some prospect that an intelligent and orderly balancing of manpower requirements and supply will take place. Clearly, the decentralized operating units of the government must understand and accept the manpower policies and programs which have been developed and introduced by the central government. They must also be accountable to the central government to demonstrate that they are carrying out the operating responsibilities which have been delegated to them.

The effectiveness of manpower service agencies at the regional and local level will be influenced to a considerable extent by the leadership and the example set by the central government. As a consequence, provision for a local manpower program, for improvement of staff resources and services, for current and comprehensive knowledge of conditions such as hiring specifications, fluctuations in employment, shifts in labor supply, manpower output from education and training institutions, etc., must be taken into account in the development of a local manpower program.

In this setting, job placement activity is only one of the manpower services. This activity is especially important in the employment and utilization of manpower resources. Indeed, the extent to which placement services are meaningful is deter-

(*Continued on page 66*)

A Modern Employment Service Beyond the Khyber Pass

GLENN E. HALM

In June of 1961, I found myself, with a substantial degree of apprehension, completing the final leg of a journey to the ancient mountain kingdom of Afghanistan. This journey was to take me from the relative shelter of a position as a local Employment Service office manager in a small Oregon city to Central Asia, where I had contracted to serve as adviser to the Royal Afghan Ministry of Mines and Industries in setting up the first public employment service.

As the sweltering, dusty plains of the Punjab merged into the foothills of Afghanistan, I reviewed some of the things that I had recently learned about the country below us. The 12 to 15 million people inhabiting this land-locked nation, about the size of the State of Texas (U.S.A.), of whom only about 10 to 15 percent could read and write, had lived within an agrarian economy since ancient times and had been largely untroubled by the cruel cycle of overpopulation and famine suffered by some of their neighbors. A proud and independent people, they had long been isolated, by geography and by choice, from the modern world.

In recent years, however, the attitudes and goals of the Afghan people had changed, and a new social and economic order was painfully emerging. As the plane neared the Kabul River Valley, manifestations of this new attitude became visible. A paved highway could be seen, and an occasional dam or factory or newly built school—testimony to the Afghan desire to "catch up." Substantial foreign assistance programs, mainly from the U.S.A. and the U.S.S.R., gave impetus to Afghanistan's economic development program.

Glenn E. Halm is in the Branch of International Manpower Assistance, U.S. Employment Service.

This hydroelectric and irrigation damsite on the Kabul River is a U.S.S.R. foreign assistance project.

The Ministry of Mines and Industries first became interested in the establishment of a public employment service when a need for construction equipment operators arose in a northern province. Ministry officials had attempted to contact a number of such operators, known to have been trained by a U.S. construction firm, in the Helmand Valley area where a phase of a U.S. Agency for International Development (AID) project had recently been completed. To their dismay, the ministry found that virtually all of these trained Afghan workers were impossible to contact, since they had scattered and returned to their remote farms and villages.

It was when this matter was discussed by ministry officials with Raymond V. Johnson, Kabul representative of the Asia Foundation, that the idea of a public employment service was first conceived as a means of preserving precious Afghan skills.

The Afghan National Employment Service project was unique in that it was sponsored neither by an international nor a governmental technical assistance organization. The project was totally financed and directed by the Asia Foundation, a privately endowed San Francisco organization concerned with the social, cultural, and educational development of Asia.

Sponsorship by a private foundation precluded my use of the financial resources of an AID mission or a United Nations project, although in Kabul both agencies cooperated splendidly in making available practicable advice and technical materials, notably the Bureau of Employment Security handbook, ESTABLISHMENT OF NATIONAL EMPLOYMENT SERVICES IN DEVELOPING COUNTRIES. But private sponsorship also proved to have certain advantages. It seemed to permit a closer identification of the project with the host government—for instance, the Asia Foundation advisers in Kabul had offices in the respective ministries to which they were attached and worked the same hours as ministry employees. In addition, the fact that I was not an official U.S. Government representative seemed to invite greater candor from host government officials when programs and problems were discussed.

Shortly after my arrival, planning sessions were arranged with Dr. Mohammad Yussef, Minister of Mines and Industries (later to become Prime Minister) and other ministry officials, with the ILO manpower statistics expert, the Asia Foundation representatives, and others. It was decided that a pilot employment service office should be organized in Kabul, the capital city. This office would not ment Service might grow and mature. ment service but would have three primary purposes: (1) To act as a recruiting and placement agency; (2) to organize a local labor area information program utilizing standardized occupational data; (3) to develop an organizational structure, with a cadre of trained personnel, upon which the National Employment Service might grow and mature.

It was further decided that, as a matter of policy, the ministry would

finance the employment service from a general budget allocation with no fees being charged either to applicant or employer; that all occupations and industries, except agriculture and domestic households, would be served; and that no requirement would be imposed upon anyone to use the services. Organizationally, it was to be subordinate to the General-Directorate of Labor within the Ministry of Mines and Industries. (There is no Afghan Ministry of Labor.)

Preliminary investigations indicated that there were a large number and variety of employing establishments within the city of Kabul and its immediate environs, many of which seemed to be experiencing acute worker shortages. The capital city was also used extensively to recruit crews for construction, mining, and petroleum exploration projects in the provinces, and several light manufacturing plants were under construction in Kabul's new industrial areas. These were all potential users of the employment service.

Early conclusions regarding manpower shortages in all occupational categories except unskilled were subsequently confirmed. The Ministry of Planning estimated that a net increase of more than 60,000 trained workers would be required to meet the manpower needs of Afghanistan's second 5-year plan, scheduled to end in 1966.

These preliminary studies seemed to indicate that the employment service could clearly have an important role in Afghanistan's development by channeling workers to useful and productive positions.

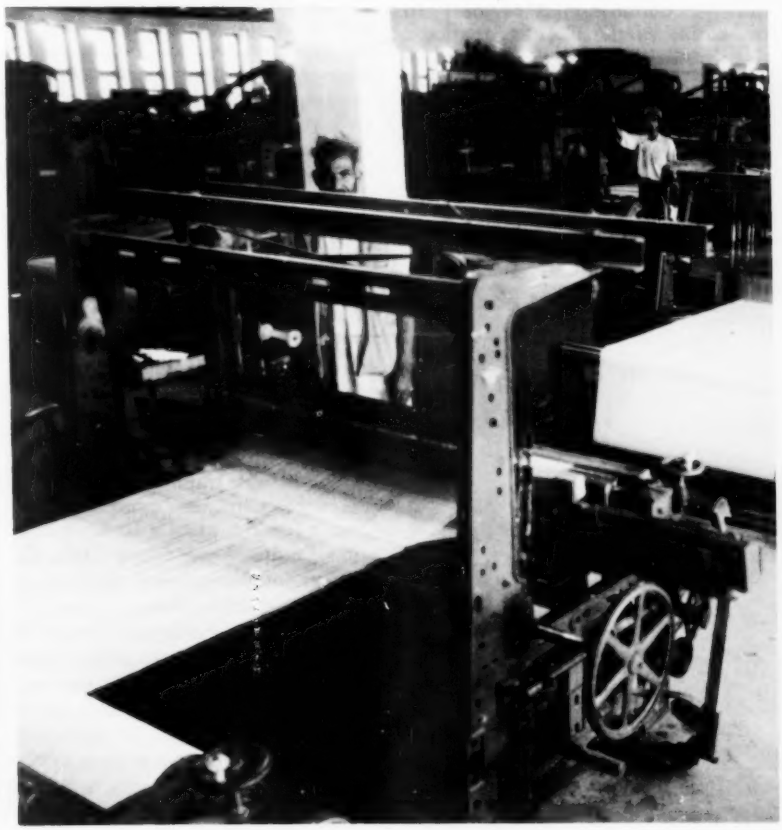
The real organizational work was now to begin and the selection of an industrial and occupational classification system had to be made. The ILO systems seemed the most suitable and the most readily adaptable to Afghan occupations. Because my stay in Afghanistan was limited, it was hoped to obtain a Farsi (Persian) translation of the occupational system from Iran but, as insurance, work was begun on a three-digit translation and adaptation from the English. This arduous task was undertaken by two graduates of Kabul University assigned to the project as counterparts.

Other tasks that required attention at about the same time were the preparation, in English and Farsi, of a skeleton operational manual, spelling out policy and procedures, for use as a guide in staff training; the design of some 17 different forms needed for office operation and labor area information programs; selection of suitable employment office quarters in the new Ministry Building then nearing completion; and planning for procurement of the supplies and equipment that the Asia Foundation was to provide. Each of these matters, from routine to the most complex, was complicated by nearly endless (and often humorous) problems of language, inexperience, and complicated government procedure.

Because most of the Afghans had never heard of an employment service (and possibly doubted that one really existed), I felt that a visit to Iran, where U.S. AID had been supporting an employment service for

Carpet weaving in the old traditional manner.

Modern power looms in a Kabul textile factory.



At a government workshop, a carpenter student works on a router.

about 4 years, would be useful. It would also provide us with an opportunity to obtain a copy of the Farsi translation of the ILO occupational classification system, which had not proved possible to do by mail. After some rather delicate negotiations, an official invitation from the Iranian Government was extended to me and my two counterparts to spend a week in Teheran.

A shoe factory in Kabul.

We visited Teheran's very fine local offices, examined their labor area information program, and observed their job analysis techniques. Much of the quality of this organization is attributable to the work of the American advisers from the U.S. Bureau of Employment Security. The Iranian Government and U.S. AID personnel were helpful and hospitable in the best Asian tradition. We returned to Kabul better informed, inspired, and with two Farsi translations of the classification system packed safely in our luggage. Upon our return, work was begun to adapt this classification system to the Afghan work situation.

The serious business of recruiting and training a local office staff now faced us. There was a good deal of competition among the ministries and among the departments for the services of trained and educated Afghans. The ministry, however, agreed to provide a staff of 10: A director; an assistant director (the two counterparts); four interviewers, one of whom was a woman responsible for interviewing women applicants; two women receptionist-clerks; and two messengers.

This general staffing pattern, with one exception, prevailed during my stay in Afghanistan. The exception was the woman interviewer who resigned and was not replaced because of the paucity of women applicants. All of the staff were under 30 years of age. The director and his assistant had bachelor degrees from Kabul University, the interviewers and receptionists had 8 or 9 years of schooling and had graduated from a ministry-sponsored typing and clerical course.

The actual training of the staff was subject to the same problems (and a few more) of a training situation in any local office. But the trainees' intelligence and eagerness to learn simplified the task.

Opening of the office was preceded by a public relations campaign. This consisted mainly of an intensive employer visiting program, which netted the office a number of job openings, and radio publicity to attract applicants. Radio was the only practical medium for this purpose, since the

Deputy Minister of Mines and Industries, Dr. Soultan Popal, cuts the ribbon for the opening of the employment office. Left to right: Ghulam Azizi, president of industries; Glenn Halm, U.S. Employment Service adviser to the Royal Ministry of Mines and Industry; Dr. Popal; and M. R. Aurang, Mr. Halm's Afghan counterpart.

typical Kabul workman was an avid radio fan and was most familiar with oral communication.

After suitable ribbon-cutting ceremonies conducted by the Deputy Minister the previous day, the Afghan National Employment Service was "open for business" on April 7, 1962, approximately 10 months after my arrival in Afghanistan.

(*Continued on page 49*)

The Jalalabad highway which connects Kabul with the Khyber Pass is being built with AID assistance.

Canada

An Employment Service Geared to Manpower Needs

WILLIAM THOMSON

The National Employment Service of Canada provides a free employment service to employers and employable workers resident in Canada. Its basic purpose is to advance the national interest by helping to ensure that the human resources and natural assets of the country are used to the best advantage.

Reflecting the strong demand for a public employment service which developed in Canada at the end of the first World War, Parliament passed legislation providing for subsidies to Provinces organizing and maintaining a public employment service. Eight of the then nine Provinces entered into agreements with the Federal Government which resulted in a chain of offices called the Employment Service of Canada; eventually offices in 75 urban centres were included. For several reasons, this organization failed to play an effective role in Canadian economic life. However, the Unemployment Insurance Act passed in 1940 required the Unemployment Insurance Commission to organize and maintain a national employment service.

William Thomson is Director of the National Employment Service of Canada.

Thus, although the emphasis at that time was on the new unemployment insurance scheme, the National Employment Service came into being in 1941.

Today, NES, as it is popularly known, covers Canada with some 240 local employment offices and branch offices, plus 24 full-time offices at universities and technological institutes. The country is divided into five administrative regions, each with a regional office. Local offices are responsible, through their respective regional offices, to the head office of the Service in Ottawa.

The Unemployment Insurance Act requires the establishment of employment committees to advise on the operation of the NES. These committees, at national, regional, and local levels, are composed of equal representation from employer and employee organizations, with additional representatives from other interested bodies. Through the understanding developed in committee activities, the essential character of the NES and its vital economic role gain broader public recognition and support.

The functions of the Service are broadly defined in a Convention adopted by the International Labour Organisation in 1948 and ratified by Canada in 1950. The Convention states:

The essential duty of the employment service shall be to ensure, in co-operation where necessary with other public and private bodies concerned, the best possible organisation of the employment market as an integral part of the national programme for the achievement and maintenance of full employment and the development and use of productive resources.

This has been accepted as the guiding principle of employment service policy in Canada. Although the ability of the employment service to organize the employment market depends largely on its skill in personnel selection, there is a growing realization in Canada that the economic contribution of the employment service goes far beyond the matching of workers and jobs.

Increasing specialization in Canadian business and industry has made the operation of an effective employment service a complex and challenging undertaking, demanding the attention of specialists. At headquarters and at regional offices, certain officers specialize by industry groups and also by worker groups. These specialists

To lessen seasonal unemployment, Canada is stressing construction even during the winter months. Here an NES officer and a construction company manager observe workmen putting up a prefabricated house wall.

The local National Employment Service office referred these students to the Centre Apprentissage in Hull, Quebec, and will place them in employment after graduation from the course.

study employment trends, deal with problems of labour supply and demand, act as advisers to employers and to local offices and, in addition, actively promote the use of the employment service. There is also specialization in local offices to the extent that volume justifies.

At the head office, two divisions specialize in developing and improving the tools used in the field. The Analysis and Development Division is responsible for operational analysis, employment procedures, job market analysis, and inspection analysis. The Selection and Occupational Research Division handles personnel selection methods, technical aids, and related programs.

More will be said later about some of these specialized activities insofar as they contribute to and reinforce the specific aims of manpower policy.

The objectives of Canada's present manpower policy are expressed in the government's Employment and Manpower Development Program announced in June 1963. The need for a well defined manpower policy has become increasingly evident in recent years. In introducing the government's program, the Minister of Labour emphasized the costly effects of the excessively high levels of unemployment which have prevailed. But the unemployment rate does not tell the whole story. Canada has been faced with the anomalous situation of high unemployment on the one hand and acute shortages of vital skills on the other. Some parts of the country have had close to full employment; employment opportunities have lagged far behind in others. Seasonal fluctuations in employment continue to take a costly annual toll. Employment opportunities for some groups within the economy have failed to respond to improvement in the overall situation. Obviously, Canada's manpower policy must be one which stimulates the economic growth needed to provide enough jobs to absorb a growing labour force and to make a dent in unemployment totals. But it must do more than this—it must permit the application of selective measures to cope with problems which are not wholly reflected in the national unemployment rate.

A full discussion of the Employment and Manpower Development Program is beyond the scope of this article. It may be described, however, as a balanced attack on the problems of unemployment, manpower development, and employment security. The program includes measures to step up training in order to improve the skills and adaptability of the labour force, both employed and unemployed; strengthening of existing programs and the introduction of new measures to reduce seasonal fluctuations in employment; a program to assist long-term unemployed workers; and measures to assist labour and management to meet problems of dislocation of labour caused by technological and other industrial change.

Recognizing the great demands which this program would impose upon the central manpower agencies, notably the National Employment Service and the Department of Labour, the Minister announced the government's intention to strengthen the personnel resources of these agencies. Since this announcement, the staff resources of NES have been strengthened considerably in recognition of its role in the effective operation of the employment market and of the contribution it must make to the ultimate success of the program.

For example, one of the measures adopted was an experimental program to assist older persons who had been out of work for some time. Known as the Older Worker Employment and Training Incentive Program, it provided for the payment for up to 1 year of a monthly incentive to employers who, under certain conditions, provided employment in combination with training to certain older workers. The NES participated in the development of policy and operational criteria for this program. While, as a result of this experience and the research work on it, the program may not be repeated in its original form, much has been learned about the long-term unemployed. This knowledge will be reflected in future programs designed to assist this class of unemployed persons.

Other measures included in the Employment and Manpower Development program were designed to encourage the construction of new training facilities as a means of improving the quality of the labour force. This can result only in greater demands being made on the NES in connection with the operation of training programs. Field offices in all Provinces assist training authorities by advising on training needs, courses to be established, and the number of workers to be trained. They also select and refer unemployed workers to courses of training and assist graduates of these courses to find suitable employment.

Other phases of the Program will create new demands on the NES, even when the NES is not directly involved. For example, many of the measures require detailed job market information, most of which is available only through the offices of the NES. In addition, to keep pace with changes in the job market, the NES must continue to strengthen and expand its own efforts to develop and utilize manpower, including counselling and testing, "Stay-in-School" campaigns, career nights, and many others.

Canada urgently needs more professional, technical, and managerial personnel, whose very employment creates jobs for others in supporting and subordinate positions. Training more of these workers is the answer in the long run. In the meantime, however, it is essential to make the best possible use of our present resources.

Service to this important segment of the labour force is provided through the Executive and Professional Division of the NES. In 1962, we began a reorganization of this Division involving the centralization of the major aspects of the service in certain key local offices. Clearance operations are carried out between these key offices and are facilitated by a rapid communications system (Telex) linking all major NES offices.

This reorganization was undertaken in recognition of the growing demand for these workers and of the need for an efficient means of organizing the market for their services.

An executive and professional employment officer discusses job information with a student registering for employment in an NES on-campus employment office.

Other important considerations were the need to have only well qualified officers engaged in this work and the difficulty of obtaining such staff in the smaller offices.

Another aspect of the Executive and Professional service is the network of on-campus employment offices which serve employers and students in the larger universities and technological institutes across the country.

In this decade, principally because of the very high postwar birth rate, Canada faces the difficult task of finding jobs for increasing numbers of young people. The job is made even more difficult by the diminishing demand for workers in the unskilled and semiskilled occupations which have traditionally been used by young people to explore their effectiveness in the world of work.

The more than 200 National Employment Services offices across Canada counsel older workers and help them to find employment.

Obviously, our ability to find jobs for these young people will depend principally on the state of the economy. Nevertheless, the job will be very much easier if more young people can avoid the trial-and-error method of job selection—if they receive guidance in choosing the right career, if they have the right amount and kind of education and training, and if they have access to the placement services needed to put their career plans into action.

The ideal employment service has been described as one to which you would confidently send your children as they set out on their careers. The NES has always attached the greatest importance to the matter of integrating youth into the employment market. Our efforts have involved both preventive and remedial measures. First, by distributing information about the relationship between education and employment and about the requirements of various careers, we have tried to encourage young people to prepare themselves for work. Second, with the young jobseekers in our offices, we have used counselling and testing to assist them in defining their job objectives as well as trying to find jobs which meet their requirements.

Although we have been able to help many young people by these methods, we believe that an even greater effort will be required in the future and that this must be a coordinated effort on the part of all those who are interested in the employment of youth. Under the constitution, provincial education authorities are responsible for guidance and counselling in the schools. NES can, however, make a very valuable contribution to the school program and, in so doing, further its own objective of maximum utilization of manpower. We believe that the most beneficial attack on the problem of youth employment will consist of a comprehensive guidance and counselling program, commencing in the school setting, probably no later than the grade school level, and extending into at least the earlier years of participation in the labour market. Such a program will require the integration of our efforts with those of the schools. Most school authorities are fully aware of the benefits of counselling and career planning services and welcome NES assistance in this area. Nevertheless, we have begun to put more emphasis on the need for counselling services for students in the earlier grades. We are also extending our efforts in the other direction—helping youth find employment after they leave the school system. School authorities are aware of the employment services available from the NES to both graduating students and dropouts. But we are endeavouring to develop cooperative arrangements with the schools to ensure that the transfer of responsibility for serving these youth is accomplished smoothly and effectively.

Considerable public service time is given to the NES by radio stations across Canada. Here, a radio news director and an NES employer relations officer team up to broadcast a list of jobs which are available through the local NES Office.

What we are doing in this area is not new—it is more a streamlining and extension of the services we have provided in the past, placing more emphasis on prevention of the condition rather than its treatment and on mobilizing all of our resources to find a solution to the problem.

These are only some of the ways the NES contributes to the objectives of manpower policy. Our attempts to stimulate employment during the winter months have not been without success. We have also made plans to expand our testing operations, using the GENERAL APTITUDE TEST BATTERY developed by the Employment Service of the U.S. Department of Labor. Another part of our program has been the development, in cooperation with the Armed Forces, of a series of handbooks relating military service trades and classifications to civilian occupations. These are used by the services and NES in counselling personnel retired or released from the services to assist their integration into the civilian labour force in employment commensurate with their service skills and abilities. These handbooks are complemented by a series of job briefs describing particular service trades and occupations and relating these to equivalent civilian occupations.

We also engage in activities designed to improve mobility of labour. Geographic mobility is facilitated by the NES clearance system which enables the circulation of employers' orders and workers' applications among local offices. The NES is also empowered to make advances on behalf of employers for travelling expenses of applicants to help them move to places where work has been found for them. Provision is also made for transportation of workers at public expense from areas designated by the Minister of Labour as labour surplus areas.

All of these and other manpower activities have required the integration of our efforts with those of other departments and agencies at national, provincial, and local levels. In particular, the NES has worked closely with the Federal Department of Labour in such areas as labour mobility, manpower utilization and adjustment, training, vocational rehabilitation, winter employment, and other employment programs. Despite this close relationship, there has naturally been some lack of coordination and some duplication of effort because the two organizations have been under separate administrations. Recognizing the need to coordinate efforts relating to manpower policy and employment programs, the government has decided to transfer the NES from the Unemployment Insurance Commission to the Department of Labour. In announcing the proposed move, the Minister of Labour stated that the main reason for the transfer is to develop an integrated approach to

(Continued on page 26)

Great Britain

The YOUTH Employment Service

In the August–September 1963 issue of the EMPLOYMENT SECURITY REVIEW, an article entitled "Fifty Years of Employment Exchange Service in Great Britain" gave an overall picture of the British Employment Service. The following deals specifically with the Youth Employment Service and was compiled from material provided by the Labour Counsellor of the British Embassy in Washington.

The Youth Employment Service in Great Britain is a service to help young people during the transition from school to work. Since the statutory minimum school-leaving age is 15 years, the Service caters mainly to youth between 15 and 18, or over that age if they still are in school. Its major functions are to provide vocational guidance for school-leavers and other young persons within these age limits; to help them find suitable openings in employment; to keep in touch with them during their early working years; and to pay unemployment benefits and national assistance during unemployment.

The present structure of the Service is based on the Employment and Training Act of 1948. It operates on principles recognized by the Act that adequate guidance at the transitional stage from school to work needs to be based upon a thorough knowledge both of the individual boy or girl and of the field of employment; that considerable knowledge of the abilities of individual young people is possessed by the schools and local education authorities; and that questions of employment are generally a matter for the Ministry of Labour, an organ of central government. However, British practice prefers that the vocational guidance services and the placing in employment be provided through the same administrative organisation, and that the central responsibility for them should not be divided. For this reason, the Act made the Minister of Labour solely responsible to Parliament for the Youth Employment Service.

Under the Employment and Training Act of 1948, local education authorities were given the option of operating the Service locally in their areas in accordance with a detailed scheme approved by the Minister of Labour. Of the 181 education authorities in the country, at present 127 are operating approved schemes; in the remaining areas where the education authorities are not doing so, the Service is being provided directly by the Ministry of Labour through the local Employment Exchanges.

The Minister appoints, and is advised by, the National Youth Employment Council, which consists of representatives of the education authorities, the teaching profession, the employers' and workers' sides of industry, local Youth Employment Committees, and others with knowledge and experience in dealing with youth problems. This is prescribed in the Act, which also provides for similarly constituted advisory committees for Scotland and Wales which report to the National Council. In areas covering one or more Youth Employment Offices, a local advisory Youth Employment Committee is set up under the Act's provisions. Where the local education authorities run the Service, they appoint the Committee; where the Service operates from the Employment Exchange, the Committee is appointed by the Minister.

The central administrative responsibility for carrying out measures decided by the Minister is with the Central Youth Employment Executive, which consists of senior officers

of the Ministry of Labour, the Ministry of Education, and the Scottish Education Department. An administrative link between the CYEE and the individual Youth Employment Officers is provided through a CYEE representative at each of the seven Regional Offices of the Ministry of Labour in England and the Wales and Scotland Offices, all of whom are senior officers of the Ministry. There are about 1,420 Youth Employment Officers, about half of whom are women, and some 1,100 Youth Employment Offices.

Vocational Guidance

The first contact the Youth Employment Officer has with future school-leavers usually is in talks he gives at the schools to groups of pupils well in advance of the time they will leave school. This first talk deals with types of careers in broad outline—for example, careers suitable for those good with their hands, or who are attracted to open-air jobs, or clerical work in some form—to encourage the young people to start thinking about the kind of work that would interest them and be suited to their abilities. This school talk often is supplemented by further talks on particular careers by experts in the fields, by the showing of films and by visits to firms. Suitable literature about jobs is also made available.

Before the pupil leaves school, the school is asked to send a report to the YEO regarding the young person's health and physique, educational attainments, general ability, and aptitudes. For leavers at the statutory age, the schools are required to provide these reports; for pupils who leave later than the statutory age, the schools are encouraged to provide similar reports. All these reports are confidential to authorised officers and heads of schools, but may be seen by parents or guardians upon request. If the young person has any disability that may affect employment, a confidential medical report also is obtained from the school medical officer. Where the YEO considers it desirable, he may consult with the Ministry's Disablement Resettlement Officer for the area.

At the appropriate time, the young person ready to leave school is invited with his parents to an individual interview with the YEO. Usually one of the teachers also is present. This interview is entirely voluntary, but most young people who leave school at 15, and considerable numbers who leave later, take this opportunity to get professional advice on their future careers. In giving advice, the YEO takes into consideration the information provided by the school and any additional information or suggestions made by the young person or his parents about his interests and wishes.

As a general rule, the YEO uses a "Seven Point Plan" developed by the National Institute of Industrial Psychology as a framework to ensure that all relevant considerations are taken

into account in arriving at his recommendations. The seven headings of the plan are: Health and physique; educational attainments; general ability (general intelligence); specialised aptitudes; disposition; interests; and any special personal or domestic circumstances.

The Youth Employment Service does not administer aptitude tests, but schools may provide the results of standardised tests on the school-leaver's report form. If a young person has a serious mental or physical handicap, arrangements may be made for a special assessment of occupational suitability, including tests, at one of the Industrial Rehabilitation Units of the Ministry.

The YEO considers all points regarding the young person he is advising in the light of his knowledge of careers and the prospects in them. A record of his recommendations is kept on an individual card for each young person, which the parents may see. There is no obligation for either the youth or parent to follow the recommendations, for the final choice of career rests with them.

Girls enjoy selling lingerie.

There are also special services for older pupils who may want advice on a diversity of careers with special educational requirements, including advice about subjects to study in their last years at school. Career Advisory Officers, stationed at Regional Offices of the Ministry, are available to advise older school-leavers in areas where the Ministry runs the Service, and also, by arrangement with local education authorities, in some areas where they operate the Service. Some have their own specialist officers. The service available to the older pupils is not used as extensively by them as by those who leave school at the statutory age, but it is developing steadily.

(*Continued on page 23*)

The yard goods department of a large store.

Our British Cousins

A few weeks ago, after a 5-year battle against Civil Service custom and Treasury controls, the Ministry of Labour opened an office in Holborn to deal exclusively with office workers, a province that the staff agencies [private fee-charging] have hitherto regarded as their own. This new exchange is no green distemper, public-lavatory affair; indeed, it is more inviting than many hotel vestibules. All red tape has been cut in an effort to provide urgent and specialised attention.

Major D. J. Cropper is the secretary of the Employment Agents Federation. His retaliation has been swift. "The function of the Employment Exchange should be to find work for the unemployed and thus ease the taxpayer's burden, and not to open offices in unnecessary and unfair competition with private agencies. . . ." Needless to say, Major Cropper is stunned that such a blow to free enterprise came originally from a Conservative Government. He intends to raise questions in the House. . . .

Not surprisingly, firms are very enthusiastic about the Holborn office. Unfortunately for the agencies, the ranks of both industry and labour are lined up against them in the age of affluence. Britain and Switzerland are the only European countries in which they are still allowed. Technological development demands a whole new concept of labour mobility and, as the Ministry of Labour extends its services of vocational guidance, retraining, and rehabilitation, the agencies will probably be squeezed out. . . .

The Ministry is quite clear that there is still a substantial snob element in using an agency. The exchanges are fighting to rid themselves of the dole queue image. Young secretaries believe that better jobs are held by the private bureaus and that somehow they will be treated more sympathetically. The officials maintain that their network of 64 exchanges throughout London has a much bigger selection of jobs than any agency. . . .

There is now a plan to carry out the placing function of the London offices in separate buildings. There are already separate professional, executive, and commercial offices in Edinburgh and Glasgow, and similar projects are planned in Bristol and Birmingham. The West End Commercial and Clerical Office has been dealing almost exclusively with women for several years. The Holborn office is an experiment. The Ministry is aiming at a system of comparable units—perhaps with a central control—sited in the big thoroughfares. They are very conscious that expenditure must be justified; there will be no advertising sprees. "We feel if only we can get people in, we can sell ourselves."

—From an article. "The Placement Service," by Geoffrey M. Sheridan in the Manchester Guardian, *November 10, 1964.*

Japan

Employment Security Bureau
Ministry of Labor—Japan

Cultured pearls are a specialty of Japan.

A chinaware shop.

The employment security administration in Japan was for a long time known as an administration for the relief of unemployment, but it has recently been taking a firm step forward toward the implementation of an "active employment policy." To present a clearer picture, it will be necessary to give a brief summary of the changing employment and unemployment situation in Japan which constitutes the background for such a policy.

With 1955 as a turning point, the Japanese economy entered a new growth stage from postwar reconstruction. It has since continued to grow at the high average rate of 10 percent per annum, reflecting widespread technological innovation, increased investment in capital equipment and steady demand for consumer goods. Paralleling this growth, employment has increased on an average of some 1 million a year, centering around the secondary industries. The employment and unemployment situation has been notably improved, and the employment structure is being modernized rapidly.

As a result, medium-size and small nonfarm enterprises and agriculture are faced with increasing difficulties in securing young workers and skilled workers. The shortage of such workers now constitutes a serious bottleneck to the operation of various enterprises. At the same time, there are workers who do not always find it easy to obtain employment, such as middle-aged and older workers and coal miners who have been displaced in large numbers as a result of the changes in the industrial structure.

Since the Japanese economy is expected to grow at a relatively high rate, it is anticipated that a period of severe labor shortage will set in. While the demand for manpower will go up steadily because of the changing industrial structure, the supply of new workers, which has continued to rise under the influence of the postwar "baby boom," will begin to diminish by 1967. Herein lies the need for an active employment policy aimed at developing human capabilities to correspond to the changing structure of industry and manpower, making fuller use of such capabilities, and attaining a proper allocation of manpower.

Implementing an Active Employment Policy

The Regional and Industrial Employment Program formulated in 1964 (tentative program) provides a framework of measures designed to attain a proper allocation of manpower. This program will serve not only as a guidepost for employment policy, including labor mobility, but also as a basis for the promotion of various measures to implement industrial, economic, and social development policies. The Program covers 5 years from 1964 through 1968. On the theory that industry should be distributed properly among Prefectures, the plan forecasts manpower demand and supply, labor mobility, and the overall balance of demand and supply by industry (see table).

AN ACTIVE EMPLOYMENT POLICY

This bustling Tokyo fish market is the largest such wholesale market in Asia. Approximately 1,700 tons of fish are sold before noon each day.

A Japanese grocery store.

Each prefecture will, in line with this Program, formulate a more detailed employment program which takes account of local conditions, and will implement various employment measures on a planned basis. These measures include adjustment of demand for and supply of school-leavers (including graduates and dropouts), inter-industry and inter-regional mobility of labor, and vocational training. Moreover, private undertakings and organizations will be required to cooperate in the fulfilment of the employment program by reducing excessive competition for the dwindling supply of manpower, and by creating an appropriate atmosphere for autonomous adjustment of the work force.

Establishment of Labor Market Center

In order to assure the proper allocation of manpower, as envisaged

Picking tea leaf buds begins in May throughout central Japan. The hills above the Pacific coast about 100 miles south of Tokyo are the source of most of Japan's green tea for export.

←

Women, who make up the largest number of laborers in the rice fields of Japan, are planting the crop.

in the Employment Program, it is necessary in the present situation in Japan to create conditions which will be conducive to labor mobility. To this end, it is necessary to reorganize into a nationally consolidated job market those existing regional job markets which are of a narrow and closed nature. The idea of a Labor Market Center has evolved to meet this requirement.

The Labor Market Center consists of an electronic computer UNIVAC III installation and a national network for data transmission which directly connects 46 Prefectures and 453 Public Employment Security Offices (PESOs) where punchers and data transmission equipment are installed; alternatively, the Center may adopt the socalled automatic data processing system. The Center will carry out the following functions:

1. Employment Service

a. To transcribe on tape all job orders and job applications received by the PESOs (excluding those relating to casual or day workers).

b. To prepare information to be furnished to each PESO about job orders and job applications in the national job market and other job market information, using the above-mentioned master tape and other statistics.

c. To match job orders with job applications on the basis of the employers' hiring conditions and applicants' preferences about conditions of employment, and to circulate job orders and job applications accurately, adjusting the demand for and supply of manpower from a national standpoint.

2. Unemployment Insurance

a. To collect data, from the PESOs, concerning the workers' experience under the unemployment insurance system, including the acquisition and loss of the qualification as an insured person and the payment of benefits, keeping a record of such data on an "insured persons' ledger" tape.

b. To calculate, on the basis of this tape, insured period and duration of benefit, and notify the PESOs of the results.

c. To receive data concerning the collection of unemployment insurance contributions, and keep a record of such data on an "employers' ledger" tape, make calculations, and notify the employing establishments and public employment service organizations of the results.

3. Statistics

To tabulate and analyse various kinds of statistics by using the master

(*Continued on page 21*)

Overall Balance Sheet of Labor Demand and Supply by Industry
1963–1968
(in thousands)

Industry	Fiscal 1963	Labor supply				Labor demand				Fiscal 1968
		Total	School-graduates and dropouts	Movement from primary to other industries	Entrants into labor force other than graduates	Total	Retirement and death	Movement from primary to other industries	Net increase or decrease	
Employed persons, primary industry	12, 140	500	500	.....	.....	500	1, 420	1, 000	—1, 920	10, 220
Employees, nonprimary industry	26, 000	11, 820	7, 250	1, 000	2, 730	11, 820	4, 990	.....	6, 000	32, 000
Employers and family workers, nonprimary industry	6, 170	570	200	.....	370	570	760	.....	—190	5, 980
Employed persons, all industry	44, 310	11, 050 (12, 050)	7, 950	(1, 000)	3, 100	11, 050 (12, 050)	7, 160	(1, 000)	3, 890	48, 200

SOURCE: Ministry of Labor "Tentative Industrial and Regional Employment Program."

es newsletter

ECONOMIC REPORT OF THE PRESIDENT

President Johnson, in his 1964 Economic Report transmitted to the Congress in late January 1965, pointed out that "a strong Federal-State employment service can make the difference between an effective and an inefficient labor market. The efficiency of the U.S. Employment Service has improved in recent years, but further strengthening is required for truly efficient labor markets. My budget provides for that strengthening."

The President also stressed the purpose and need of training and retraining programs for those who need to learn skills. "We intend to improve and expand our training programs in 1965. We will give special attention to basic training and basic education for those at the bottom of the ladder of skills."

In its report submitted at the same time, the Council of Economic Advisors predicted that "during the coming year emphasis will be placed on employment services for younger persons. The services will include exploratory interviews, counseling, and testing; referral to community agencies for diagnostic and remedial assistance; and strengthening of placement efforts, including those directed at rapidly expanding part-time employment opportunities."

The Council called attention to the fact that about three-fourths of all jobs are now filled without the use of any kind of placement agency. "But the way in which the remaining jobs and workers are matched may spell the difference between an efficient and an inefficient labor market. The 1,900 State employment service offices affiliated with the U.S. Employment Service are designed to fulfill this task." It added that the "employment service should be available to all workers, regardless of occupation or current employment status."

EXPANDING THE MDTA

The Manpower Development and Training Act, passed in 1962, was amended in 1963 to broaden its scope in order to give more help to the hard-core unemployed and to disadvantaged youth. On February 2, 1965, at the President's request, Secretary of Labor W. Willard Wirtz submitted to the Congress the Administration's proposals to broaden the Act further, and to increase the Federal share of project costs to 90 percent from the 66 percent which would become

effective in 1966 under the present law. The new proposals are incorporated in a draft bill known as the Manpower Act of 1965. It was introduced in the Senate by Senator Joseph S. Clark and in the House by Representative Elmer J. Holland on February 3.

Highlights of the new proposals include extension in some cases of the training allowance support period from 1 to 2 years; an increase in training allowances of $5 a week for each dependent over two to a maximum of six; transportation payment for daily commuting between residence and place of training; permission for on-the-job trainees to do 20 hours of outside work without reduction in allowances; and training allowances under certain conditions for single persons without dependents.

ES ACCENT ON YOUTH

During the past year, the upsurge in manpower programs specifically aimed at helping disadvantaged youth and school dropouts brought new responsibilities and challenges to the Employment Service. A major development is the national network of Youth Opportunity Centers, now in the process of being established in metropolitan areas throughout the Nation as a part of the Federal-State Employment Service system. Plans are for a total of 105 YOC's, with at least one in each State. Rural areas will be served by ES personnel from nearby local offices and by mobile teams.

The YOC's are designed to help young persons between the ages of 16-21 who because of poverty and lack of education and training have dim prospects for jobs. The program was triggered by the rising unemployment among teenagers and the national drive to find better ways to develop and utilize human resources. The YOC services will include testing, counseling, job development, referral to training and various rehabilitative services, placement, and followup. The YOC program has a close working relationship with other community youth programs, such as those set up under the Economic Opportunity Act, the literacy and vocational training under MDTA, and the ES arrangements with Selective Service to help youth who fail Armed Forces qualification tests.

BES OVERSEAS IN 1964

During 1964, BES and State personnel were on tours of duty in many parts of the world as manpower advisors, with some helping to develop public employment services. Those from State agencies include: Merrill Weir (Alaska) Iran; William Langbehn (Arizona) Venezuela, Colombia and Thailand, Robert Clay (California), Brazil and Guatemala; and Don Roney (California), Indonesia. Those from the BES national office include: Louis Levine and Larry Seiff, Tunisia; Sam Morgenstein, Israel; Edward Omohundro, Peru; Theron Williams, Brazil; Dudley Davis, Turkey; Lee Williams, Formosa; Richard Zoeckler, Cyprus and Singapore; and Orville B. Railey, Jordan.

(*Continued from page 18*)

tapes and data tapes kept at the Labor Market Center.

The work of the Center will be commenced in part in April 1965, and its full-scale work in April 1967.

Encouraging Mobility

In order to promote labor mobility, it is necessary to facilitate workers' changing of residence to take up employment elsewhere. For this purpose, the Government pays an allowance to workers when they change their place of residence to take a job, and has constructed 22,000 units of workers' housing in areas with great demand for manpower. These are let at a low rent to workers who have left their old place of residence to take employment in the area.

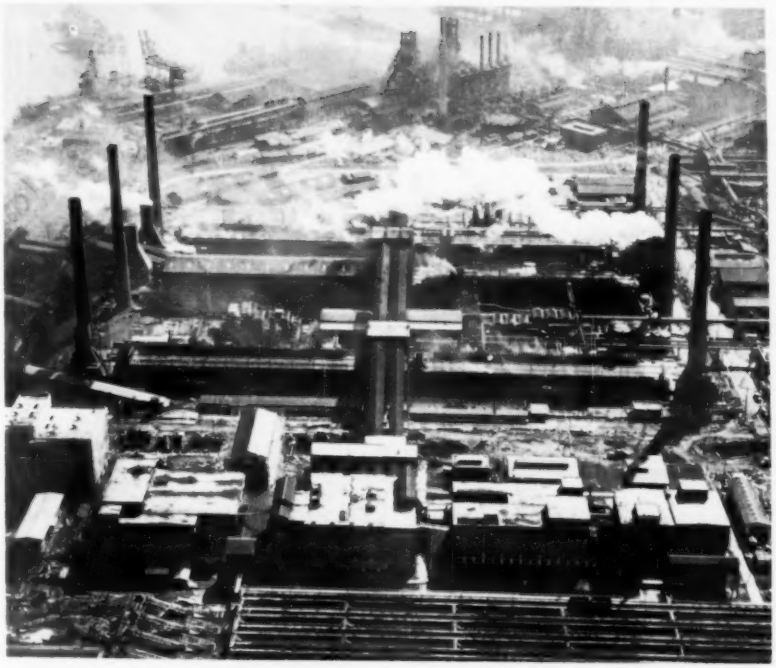
As a result of mechanization of the coal mining industry, coal miners in certain areas have been displaced in large numbers, amounting to some 100,000 during the 3-year period since 1962. Positive measures for their reemployment have been taken with considerable success.

Each year the Government prepares a program for the reemployment of displaced coal miners, and State and local public bodies take the lead in employing them. Such miners are paid a special allowance for up to 3 years after their displacement when they have exhausted unemployment insurance benefits (lasting for a maximum of 270 days). A special officer attached to the PESOs provides employment guidance and facilitates the employment of the workers by sending them to vocational training centers, if necessary, while paying the above-mentioned allowance.

Displaced workers who move from the coal-producing area to take up employment elsewhere are paid a special high-rate removal allowance. Private enterprises which employ displaced workers are granted a subsidy to cover the cost of constructing or renting housing accommodations for such workers and are paid a fixed amount of subsidy for 1 year for workers who are age 35 or over.

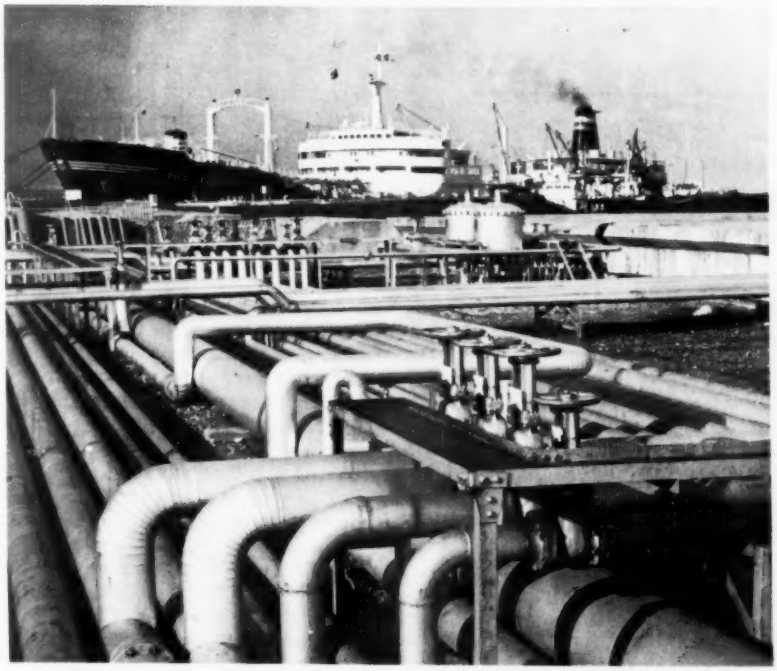
Employment of Special Groups

Measures are taken to meet the demands of industry for manpower by



The industrial district of the city of Yawata.

Oil pipelines and wharfs of Yokkaichi City.



763-233 O-65—5

Tokyo is building many miles of new roads, including this super expressway (unknown in Japan until 1964), and enlarging its subway system, which will be the world's largest when completed.

promoting the employment of certain categories of hard-to-place workers. Encouraging the employment of middle-aged and older workers and physically handicapped workers, according to their ability and aptitude, to overcome the shortage of young workers and skilled workers constitutes an important phase of the active employment policy. In the past, local public bodies, with a State subsidy, placed unemployed workers on work-relief projects temporarily. Even now, the number of unemployed workers eligible for such projects is some 280,000 despite the sharp decline recorded during the past few years. As these workers tend to stay on such projects for a long time, the Government has been making efforts since 1963 to place middle-aged and older unemployed workers on permanent jobs by introducing a new system to promote their employment.

The new system comprises: (1) Providing vocational training of 6–12 months' duration at public training facilities, with payment of an allowance during the training period; (2) providing vocational training of 6 months' duration at private establishments to which such training is entrusted by the public bodies, with arrangement for the trainees to be hired by the employers concerned when the training is completed, (in such cases, a subsidy is granted to the employing establishment concerned, and the trainee is paid an allowance); (3) appointment of a special officer at the PESO who provides employment guidance to workers, while paying them an allowance.

Further, the Government provides low-interest loans to private establishments which employ middle-aged and older workers for the purpose of constructing workers' housing. The Government also helps in building up a climate for a better use of middle-aged and older workers by taking measures to exclude young workers from certain Government occupations.

Additional efforts are being made to secure employment opportunities for the physically handicapped by fixing an employment quota under the Law for Employment Promotion of Physically Handicapped Persons. Public bodies failing to satisfy the employment quota will be required to draw up a program for engaging physically handicapped persons, and guidance is provided to assure that the quota is filled not later than the target year 1965.

Improvement of Unemployment Insurance System

The present unemployment insurance system is mandatory for establishments employing five workers or more. Preparations are now underway to extend the compulsory coverage to include establishments with fewer than five workers. This is designed to improve the workers' welfare and contribute to securing necessary manpower for medium-size and small establishments.

Next Month . . .

Job Vacancy Surveys

Sir Winston—An Employment Service Pioneer

Great Britain's network of employment exchanges owes much to Sir Winston Churchill. It was he who in 1909 piloted through Parliament the Labour Exchanges Act which resulted in the establishment of the first exchanges in 1910. He was then president of the Board of Trade, and the act gave the board authority to set up exchanges to collect and furnish information about people seeking workers or workers seeking jobs. He had insisted in the House of Commons that this was the only method of combating the evils of casual employment. When he visited the first exchanges opened, he described the new experiment as a social mechanism vital to any community.

GREAT BRITAIN

(*Continued from page 15*)

If requested, the YEO helps young persons leaving school to find suitable jobs. The use of the placing service is purely voluntary both for young people and employers. Employers in the area are encouraged to keep the YEO notified about their vacancies. The network of offices throughout the country also keeps him informed about openings in other districts. He does not, however, rely only on formal notification from employers; part of his job is to keep in touch with individual employers in his area and to know what jobs, working conditions, training, and prospects they offer. The YEO's are encouraged to make systematic studies of occupations in their areas, relating the requirements and conditions of these occupations to the Seven Point Plan.

The YEO keeps in touch with local arrangements for training in employment through attending meetings of Local Joint Apprenticeship Committees. In nearly all major industries, national schemes of apprenticeship or similar training have been drawn up by agreement between the employers' and workers' organisations. Where there is a local committee, it is composed of local representatives of employers and workers in the industry and is responsible for the administration of the national scheme within its area. If young people cannot obtain suitable training or other progressive employment in their home areas, they may be assisted financially by the Ministry, through a "Training Allowances Scheme," to undertake it away from home. Recommendations for assistance are made by the YEO jointly with an appropriate member of a panel, set up by the local Youth Employment Committee, of persons with expert knowldege of different industries and occupations. Decisions on the granting of assistance normally are made at the Regional Office of the Ministry after consultation, where appropriate, with the Central Youth Employment Executive.

Followup of Young Workers in Employment

Young workers are invited from time to time to discuss their progress with the YEO, or to write to him. The frequency of this followup varies and special attention is given to those who were difficult to place; those who are physically or mentally handicapped; those who are inclined to drift from job to job or are thought to be in unsuitable or uncongenial work; and those who are working away from home. All young people are encouraged to consult the YEO if they find themselves in any difficulty in their employment.

It is usual for the Youth Employment Office to remain open after working hours on a regular evening each week, when young people may call, with or without invitation, and talk to the YEO, and, on occasion, to members of the Youth Employment Committee who attend for this purpose. Parents also are welcome.

Although in some cases a change of jobs is considered advisable for young people who have difficulty in settling down, in many others the YEO talks with the employer and irons out the difficulty. The young workers also ask the YEO for information on a wide variety of topics that range from the availability of evening classes to matters of National Insurance or family allowances.

Some young men become asistants in small hardware stores.

A young apprentice is learning oxyacetylene welding.

This young assistant in a bookshop is helping the boy find the book he wants.

Cyprus

Mission in Nicosia

RICHARD R. ZOECKLER

"There's no justice!" moaned a British acquaintance in Singapore, as my mission there neared its end. "Eighteen years in the foreign service, and every time a reassignment was due I listed Cyprus as my first choice, without getting it. And now you're being transferred there without so much as asking! I'll show you some of my travel folders." One folder said:

"In Cyprus a unique diversity of scene—from pine forests on Mount Troodos, to sun-drenched beaches—sets off historic associations and ancient remains which, in their wealth and variety, no country of comparable size can match.

"Whatever their tastes, those who reach her hospitable shores will find enriching experiences on very hand. Let the romantics repair to the hilltop castles, whose walls, girt with cypress trees, cling to prodigious crags to watch the coasts of Asia. Those schooled in the classics will pay homage to Aphrodite in her Paphos home and call at the sanctuary of Apollo of the Woodlands. For others there are Gothic cathedrals, preserved through curious conversion to the Moslem faith, and crusader fortresses to which Venice fell heir; Famagusta above all—the 'Seaport town in Cyprus,' which was the setting of Shakespeare's 'Othello.'

"Village and mountain valley shelter many an ancient church, treasurehouses of Byzantine art which preserve the memory of the saints and martyrs of the Holy Island. At Larnaca, which reared Zeno the Stoic and boasts the tomb of Lazarus, the visitor will find one of the most hallowed shrines of Islam. The Castle of St. Hilarion, towering above all, casts an unfailing spell—the hermitage that became 'the Hundred Houses of the Queen.' Some enchantment of the Cyprian goddess beguiled knights of old to misname the castle 'Dieudamor.' And today, those who climb to the Queen's Window, pause to reflect that Aphrodite may yet be the presiding genius of this 'Castle of Amours.'"

"Doesn't it sound inviting—you'll love it!" And love it, we did, at least from March until late December 1963, when intercommunal passions pent up for centuries spilled over and disturbed the serenity of the Cypriot way of life. A Christmas Eve visit with friends in suburban Nicosia suddenly became a nightmare of stacking the heaviest furniture across the glass doors, of bending over the radio to glean every scrap of information—and misinformation—and finally of bedding down on the floor, safely below window level, to doze fitfully as bullets whistled over the roof and shotgun blasts from across "No-Man's Land" rattled the window panes. So the fun part suddenly was gone, and only work remained.

Government offices resumed operations after just a brief interruption, although now movement about the island was somewhat restricted and some staff members did not return to their posts. The work of my own

A typical Cypriot village.

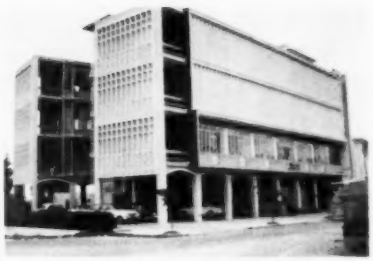
Sheep pass through a small village.

A streetside bakery in old city—Nicosia.

An asbestos mine on Cyprus.

Richard R. Zoeckler is in the Administration and Management Service, Bureau of Employment Security.

Kantara Castle.



The municipal building in Famagusta.

International Labor Office mission proceeded very well, considering the circumstances. The assignment, under the ILO's Technical Assistance Program, was to assist the Government of the Republic of Cyprus, through its Ministry of Labor, in the development of a manpower assessment program and in the improvement of its public employment service. A solid background for the project had been laid during 1962 by Gerald R. Parrish (BES Regional Director for USES, San Francisco) on an earlier ILO mission aimed at employment service organization and development. One finding of this mission was that considerably more information was needed on employment and unemployment and on the occupational categories in which future job opportunities would justify the establishment or expansion of vocational training.

Another was that the effectiveness of the existing employment service needed to be improved through modernization of techniques and intensification of staff training.

Labor exchanges had been operated in Cyprus for many years under the Labor Office of the British colonial government. When independence was gained in 1960, the newly formed Ministry of Labor took them over. With a nucleus of experienced Cypriot staff and basic facilities in several large towns, some expansion was undertaken immediately, in an effort to accelerate the return of the new republic's workers to normal civilian employment. The Ministry of Labor was also responsible for the operation of the social insurance program, which required unemployment benefit claimants to maintain active registrations at the employment sections of their respective District (local) Labor Offices.

By the end of 1962, it had become a matter of concern to some officials that the manpower goals of President Makarios' plan for national development might be in jeopardy on two counts—both involving young people newly entering the job market. The young, able, and perceptive Minister of Labor, Mr. Tassos Papadopoulos—a lawyer by trade and a hero in the freedom struggle—posed a double-barreled question: Were so many secondary (high school) students pursuing classical arts courses in the Greek gymnasia and Turkish lycees and so few enrolling in technical and vocational schools that (1) there would soon be vast numbers of "educated unemployed" youths, ill equipped for anything except the few government posts occasionally available, while (2) there would remain unfilled many of the technical and personal service jobs expected to be created by projected agricultural, industrial, and tourist-trade development?

I entered the Cyprus scene just as this question was being brought to a head by another—this one with three facets: What occupational fields should be emphasized in (1) the newly organized apprenticeship-training program, (2) the planned expansion of technical institutes and vocational schools, and (3) the projected ILO Productivity Center?

Both the manpower assessment and employment service operations segments of my assignment therefore immediately became operative. In addition to Mr. Parrish's preparatory training and assistance, I had the immense advantage of having able and dedicated officers as close associates on the Ministry staff. The Labor Research and Statistics Officer had just returned from a year's study-tour of labor statistics in the United States; the Chief of the Employment Service Division was a linguist, a Ph. D., a most avid reader, and an eager learner; and the island's key District Labor Officer was an employment service specialist who had recently added to his own long experience an intensive study-tour of employment service offices throughout the United States.

We found that little was known about the future plans of the high school seniors—how many expected to go on to higher education, how many planned to go to work—and the proportion with jobs already lined up, etc. A "Survey of School-Leavers' (graduates') Intentions" was successfully conducted through the school headmasters, in cooperation with the Greek and Turkish communal education authorities. The 1960 census data were found to be inadequate in some details pertaining to the unemployed, and the census office was persuaded to fill in the gaps. Employment surveys had been begun in some towns but incomplete establishment lists had been used. The omissions were corrected, and the surveys were

Cyprus has many Greek (left) and Turkish churches.

Left, the District Labour Office in Larnaca. Center, Tassos Papadopoulos, Minister of Labour and Social Insurance. Right, at work in the District Labour Office in Larnaca.

scheduled for all the principal areas, carried out in some, delayed by communal strife in others.

On such technical assistance missions where key local staff members are well educated and experienced officers, the foreign "expert" often finds himself to be more of a catalyst than anything else. His presence, rather than any expertise he might think he has, gets things done—things that the staff already knew should be done and how to do. The foreigner's presence—usually symbolizing his sponsoring agency's prestige—adds the impetus necessary to overcome many a bureaucratic roadblock, to pry loose many well-laid but inactivated plans, and to prod into action capable people needing only an approving nod to stir their suppressed ideas to life.

Once in a while the "expert" serves best by acting as a brake, to slow down or modify elaborate proposals which a staff member has observed or read about in more sophisticated operations abroad. A triplefold application card, for example, might be highly desirable in Stockholm or Detroit, where diverse training, occupational backgrounds and work histories might justify the extra space provided, and modern filing equipment would enable the employment office to store and locate it efficiently. In a simpler economy, however, it might be less than a boon—wasteful of interviewers' time, of applicants' patience, and of file clerks' ingenuity, not to mention of costly card stock. "Yes, a new application card is essential," the expert agrees. "Among other things, there must be spaces for personal characteristics, for education, for training, for licenses held, for up to three specific job histories, and for several referral/placement entries, but let's take it easy, measure carefully, abbreviate headings, save space wherever practical, maybe use a little larger card—and at least for the present, keep it to a single front-and-back document."

Thus the revised form is designed, debated, redrafted, agreed upon, field tested (if exhaustion of stocks of the old form doesn't interfere), modified if found wanting, given final approval, and ordered from the printer. A double service is rendered: a long-needed change is achieved and a potential mistake is avoided. The rest of the job is routine. See that clear manual instructions on use of the new form are ready when the cards are; plan staff-training sessions for all interviewers; work out the mechanics of and set a schedule for the earliest practical replacement of obsolete cards in the active files and their eventual elimination from the inactive file as well. Then the same treatment is applied to employer order forms, and so on.

Throughout the planning and carrying out of all our work, the stress always was on strengthening the role and ability of the employment service in its basic function—getting qualified workers into suitable jobs. The need to serve employers well was emphasized repeatedly, both as a means to an end and as an end in itself. This called for more and better occupational information on both jobs and workers, for careful examination of training requirements and facilities, and close cooperation with educational authorities. Labor research findings and employment service operating data were utilized to the fullest possible extent, with their interrelationships strongly emphasized.

While it is sincerely hoped that the work of the mission somewhat strengthened the Labor Ministry's ability to meet the country's manpower planning and job placement needs, this will depend largely upon how the lessons learned and the plans laid are followed through in the months to come.

CANADA

(*Continued from page 12*)

implementing manpower policy and programs in Canada, and to correct the negative image from which the employment service suffers in the public mind from its close association with the payment of benefits to the unemployed.

As a first step in this transfer of responsibility, the Director of the National Employment Service has been instructed to report to the Minister of Labour, through his Deputy, in respect to manpower programs and policies, pending completion of administrative measures to effect the transfer.

Although it is too early to predict with certainty the effect of this move on our operations and programs, it is inevitable that the merger will result in a stronger, more effective employment service and a stronger, more positive assault on Canada's manpower problems.

Goals of the National Employment Service

MALCOLM KENNEDY

It should be of special interest to the people in the Bureau of Employment Security, the State Employment Services, and the Puerto Rico Employment Service to know that some of the most zealous and effective persons in the Venezuela Employment Service give much credit to their colleagues in the United States.

During 1962, three officials of the Ministry of Labor, Luis Portocarrero, Julio Simancas, and Alfredo Lemoine, studied operations of the Puerto Rico Employment Service, and another official, Alberto Pico Arias, Chief of Occupational Analysis, visited the U.S. Department of Labor and Employment Services in Colorado, Illinois, Minnesota, Utah, and Wisconsin. Since then, these Venezuelans have been making practical use of what they learned during their studies abroad.

Training Is Based on U.S. and Puerto Rican Materials

A recent example is a training course for 11 employees of the Venezuelan Employment Service planned and directed by Julio Simancas, Chief of Coordination Section for the Department of Employment. This 8-day course of study covered, among other things, a new system of employer visiting; the basic interviewing techniques as applied to application taking and employer orders; the basic job structure; use of the future Venezuela National Dictionary of Occupations; use of occupational analysis; the concept of placement penetration; and the use of management controls for evaluation. The course was attended by the manager of the Petare Employment Office, State of Miranda, and 10 "Agents de Colocaciones" (placement agents) from the Petare and Caracas offices. Previously, Mr. Simancas had trained personnel in Valencia, State of Carabobo, and managers in other offices.

Although Mr. Simancas was the principal instructor and carried the heaviest load of the training program, he was assisted by the three officials of the Ministry of Labor.

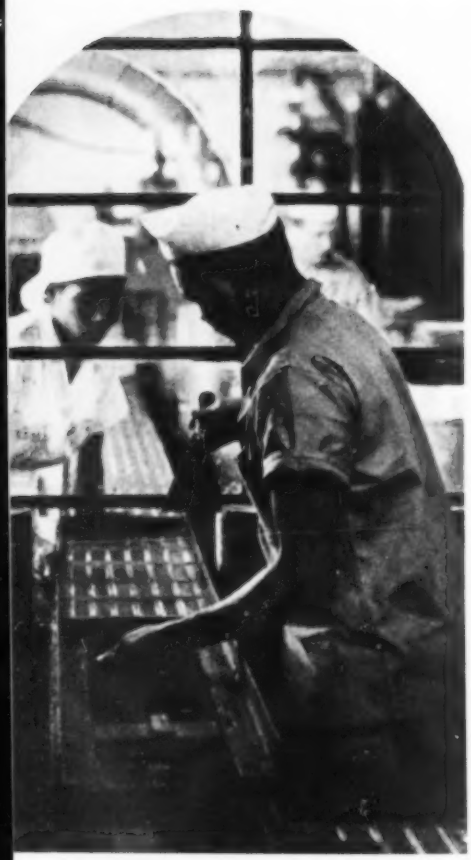
The main textbook for the training course was "El Servicio Públic de Empleos," which is a translation of a manual prepared in June 1959 by the Bureau of Employment Security, U.S. Department of Labor, for the International Cooperation Administration, predecessor of the Agency for International Development. Other training materials included translation from the June 1963 history issue of the EMPLOYMENT SECURITY REVIEW; a booklet titled "El Servicio Público del Empleo," prepared by the Illinois State Employment Service; and a manual of the Puerto Rico Employment Service.

U.S. and Puerto Rican Experts Influence Program

In addition to the written materials provided by the U.S. Department of Labor and other sources, the content of the training program was

Alberto Pico (center), Chief of Occupational Analysis and Classification, Division of Manpower, explains the use of the National Dictionary of Occupations to a group of employees of the Employment Department, Venezuela Ministry of Labor. Malcolm Kennedy is standing at right.

Malcolm Kennedy is a Manpower Adviser in the U.S. Agency for International Development.



This small chocolate factory is raising its output and creating new jobs.

A new factory near Caracas where workers are being trained to assembie electronic components for radio and television sets.

influenced by technical assistance and training provided by a representative of the Texas Employment Commission who worked with officials of the Venezuela Employment Service for 2 months early in 1963.

The chief of statistics of the Utah Department of Employment Security served in Venezuela for 3 months, and his recommendations strengthened the plans of the Manpower Division to improve the program of employer visiting and to try to bring about better coordination with the Ministry's Division of Labor Statistics. He also recommended that the Employment Service establish an effective program of job market information.

The Under Secretary of Labor for Puerto Rico visited the Manpower Division in Venezuela in January 1963 and encouraged Venezuelans to take full advantage of technical assistance available in Puerto Rico for expanding and strengthening manpower programs and for improving the Employment Service.

One of the results of technical assistance given to Venezuelans by their Manpower and Employment Service colleagues in the U.S. and Puerto Rico is a plan by the Agency for International Development in Venezuela to bring more manpower experts into the country to prepare a plan of action and budget to expand the Employment Service, and to install a modern system of employment counseling and occupational testing. CORDIPLAN, the Nation's top economic planning agency, expects to prepare a long-term plan for human resources. At the same time, Venezuelans will visit the United States to study employment counseling and testing, and organization and management of the State Employment Services.

It is expected that Venezuelan Government and labor officials will participate in the labor statistics training program in Puerto Rico, and in the international seminars on manpower and labor administration sponsored by the U.S. Departmet of Labor and the Agency for International Development.

There follows a translation of excerpts from four reports written by AID-sponsored trainees of the Venezuelan Ministry of Labor.

The compilation of instruction materials received in both the United States and Puerto Rico, as well as the material sent to us afterwards, enabled us to organize safety courses for inspectors, and to participate in seminars on this subject matter sponsored by public and private organizations. Also, through adapting many technical procedures contained in these materials, we have started to prepare a set of regulations on industrial safety and to promote an educational campaign aiming at eradicating, as much as possible, inherent work risks by creating a preventive consciousness among the production sectors.

ARMANDO BOLÍVAR DÍAZ
Deputy Director
Social Welfare Administration
Ministry of Labor

The visits to different centers for collection of occupational analysis data in Puerto Rico and the United States helped us to improve forms that we use in our data collection work. For next year we have planned a series of occupational guides which will provide help and guidance to workers and employers and will improve occupational descriptions with a view to completing a National System of Uniform Occupational Classification in Venezuela.

Lectures and training courses have been given in several placement offices of the Venezuela Employment Service to improve the work in those offices and to help the Occupational Classification Department in its task of developing a national Dictionary of Occupational Titles and other occupational tools.

Based on the acquired knowledge, this Department prepared a lecture on occupational analysis techniaue given to 11 officials of the Employment Service, who will start a new improved working system as of January 1964.

A general course on Occupational Analysis and Employment, to be given to all offices, has been planned for next year.

I avail myself of this opportunity

Making starch from cassava root.

After passing through this cleaning machine, cotton will be made into yarn. Cotton which is discarded by the machine as unsuitable for yarn will be made into absorbent medicinal cotton.

to thank the U.S. Federal and State Governments for the attention received in the course of our tour as well as for the information and printed materials we requested from several State Employment Offices, which they continue to send us.

ALBERTO PICO ARIAS
Chief, Occupational Analysis and Classification Department
Manpower Division
Social Welfare Administration
Ministry of Labor

Hereafter, I detail the application of certain methods which have been put into practice following their study in Puerto Rico and adapting to our conditions:

a. A new form has been developed for visits to employers. This form includes a record of each firm including placement results. Its use allows the Employment Service official to make effective calls on the establishment or industry, and to help the employer to the fullest extent possible. When the employer is aware of the benefits he can obtain from the Employment Service, he becomes its close collaborator and informs other employers of the advantages derived from maintaining good relations with the Service. After a course was given to its officials, this form was used first by the Valencia Placement Office, through the cooperation given by the employers of that area to accelerated industrial development. In view of the positive results obtained, the use of the form will be adopted in the Caracas Placement Office in January 1964, once the personnel have been trained.

b. The file of employers' requests already filled was modified. Instead of filing the cards by chronological order as previously, they are now filed according to the industrial activities of the firms. This has the advantage that all the offers made in a specific industrial field are grouped together, permitting more meaningful analysis of the office's placement activity.

c. Regarding promotional efforts, a leaflet was published for the work-

(Continued on page 56)

763-233 O-65—6

The Norwegian Employment Service

Three and one-half million Norwegians, the equivalent of the population of the State of Tennessee, inhabit a long, narrow strip of land which, superimposed upon our East Coast, would stretch from Portland, Maine, to Miami, Fla. One-third of this land lies above the Arctic Circle; all of it is in extreme northerly latitudes, and only the mitigating influence of the Gulf Stream provides Norwegians with a climate in which it is possible to live and to work.

Except for spectacular scenery, nature has short-changed the Norwegians. Although limited in any significant natural resources, and heavily dependent upon the importation of both foodstuffs and raw materials, Norway has succeeded in attaining a high standard of living and full employment. This success is a tribute, not only to the ingenuity of its people and to the dedication of its national leadership, but also to a spirit of cooperation and a capacity for organization on the part of all segments of Norwegian society. Norway's greatest and almost its only national resource is the Norwegian.

As might be expected in a country whose principal resource is its manpower, the husbandry and management of this resource assume an importance and an urgency unequalled elsewhere. This is reflected in the weight and attention given to employment service operations and in the very comprehensive statutory responsibilities and powers conferred upon the Labor Directorate (Norway's Bureau of Employment Security). It is charged by law with:

(*a*) Collecting information regarding employment, unemployment, and employment possibilities, establishing the causes of fluctuations in employment, and providing surveys of employment and unemployment at regular intervals;

(*b*) Encouraging the preparation by government agencies, counties, and local governments of such detailed plans for public works as can be put into operation on short notice, assembling and keeping such plans up to date, gathering information concerning private plans, arranging for public works to be undertaken in times of unemployment, and ordering deferment in times of manpower shortage;

(*c*) Promoting measures to remedy unemployment, to work toward a planned and organized development of industrial life, and to coordinate measures instituted for this purpose;

(*d*) Directing the national employment service so as to provide suitable employment and suitable workers for all vacancies;

(*e*) Providing vocational guidance, vocational rehabilitation, and (in cooperation with the Ministry of

The Geiranger Fjord in Norway.

Church and Education) vocational training and retraining;

(*f*) Operating the national unemployment insurance system and the subsidiary programs financed by the unemployment insurance fund (family allowances, financial assistance for travel and removal of workers to new jobs); installation grants and the moving of households for those taking up work away from their former places of residence; training allowances and aid to vocational training—all measures promoting the occupational and geographic mobility of the work force.

A large order? This is certainly a sweeping mandate and, together with the national Finance Ministry, the Labor Directorate is charged with no less than the maintenance of a desirable equilibrium in labor supply and demand. Of course, taxation policies, investment policies, and general economic measures of the Finance Ministry, with which the Labor Directorate is concerned only in an advisory capacity, are major tools in the accomplishment of the full employment objective. But selective job market measures—promotion of the occupational and geographic mobility of the work force, control of public works and of building permits for private construction, occupational training for adults, and other instruments of the "active labor market" plan—are important factors in maintaining this equilibrium.

The Norwegian "active labor market policy" closely resembles that of Sweden in purpose and execution, and the considerable literature describing the Swedish system serves well enough to describe the Norwegian. As in Sweden, this policy operates hand in hand with a "cradle-to-grave" system of social insurance benefits. Taken together, they typify an economic system which many Americans would consider "socialistic." However, if the classical definition of socialism—government ownership of the means of production and elimination of the profit motive—is still valid, then the system is not socialistic. It is heavily dependent on, and very solicitous of, private enterprise and the profits earned by private business.

In describing the Swedish system, columnist Sylvia Porter recently invented the phrase "private enterprise welfare state." This very apt description would apply with even greater force to Norway, where there are no industrial giants and the productive machine consists of numerous small private establishments. It is with these small private enterprises, and with their workers,

---

Joseph J. Gibbons is Executive Director, Employment Security Division, Connecticut Labor Department. He was one of a group of seven State employment security administrators who made a study of manpower problems in several European countries in September 1964.

Paper is being packed for shipment to world markets.

A manufacturing plant in Sarpsborg.

that the Labor Directorate's national employment service is most concerned and attempts to carry out its statutory mandate to "provide suitable employment" and "suitable workers for all vacancies." The employment service has been successful enough to render the public works problem one of "ordering deferment in times of manpower shortage" rather than initiating projects "to be undertaken in times of unemployment."

It is only to be expected, perhaps, that a similarity of mission will result in a similarity of organization. The Labor Directorate resembles closely a State employment security agency in the United States of America (with the reservation that it is a national agency of a highly centralized sovereign nation). There are some differences, of course. The Labor Directorate's involvement with unemployment insurance is primarily at the policymaking level; the mechanics—the collection of contributions and the payment of benefits—are turned over to a government agency which performs the same service for all of the other social insurance schemes. Consequently, the concern of the local employment service offices with unemployment insurance is limited to contested cases, which are comparatively rare in Norway. The aspect, or image, which the organization presents to the public and its clientele is predominantly that of a labor exchange and a community center for vocational guidance, vocational training and retraining, and vocational rehabilitation.

The organization discharges its responsibilities through a central headquarters office in Oslo, 19 regional (county) offices, 106 district (local) offices, and 16 specialized employment offices for seamen. The regional offices carry out coordination and supervisory functions similar to those of the regional offices of our own Federal Bureau of Employment Security. Lest it be thought that this organization is excessive for an area only slightly larger than the State of Maryland and slightly smaller than the State of Virginia (U.S.A.), let me hasten to remind you of that long, narrow country deprived of adequate road and rail connections by mountain ranges and those long, deep fjords!

In all European countries, the employment services are granted a much greater share of government resources than in the United States. Staffing is much greater in relation to the population and work force to be served, and the organizational structure is consequently more elaborate. Norway's employment service follows this pattern, and its staff exceeds that of an employment service in a U.S. State of similar size, but not to the extent apparent in other European countries.

Local offices are quiet, attractive, and well laid out, although there is greater use and adaptation of older, available rental property and few of the modern "built to order" employment offices so characteristic of Germany, the Netherlands, and Sweden. Local employment service operations are very similar to, and compare favorably with, the best in the United States. If he could speak Norwegian, the U.S. Employment Service interviewer would feel right at home in a Norwegian local office and he would be working with an able and competent group!

Our visiting U.S. interviewer would not be prepared, however, for his first encounter with the local "employment and public works committee," a tripartite board charged by statute with supervising local employment office activities and unemployment insurance operations. It also acts as a lower stage appeals body, and is responsible for maintaining a "steady and adequate level of employment" in the locality. The members of the committee are *elected*—the labor members by members of the local labor unions, the employer members by local employer associations, and the public members by the public at large. The board exercises powers and influence far exceeding those of an advisory council, including a share in executive decisionmaking. The local office manager is, by virtue of his position, secretary to the committee and also, on occasion, its adversary, provision being made for him to appeal its decisions to the Labor Directorate's Executive Board.

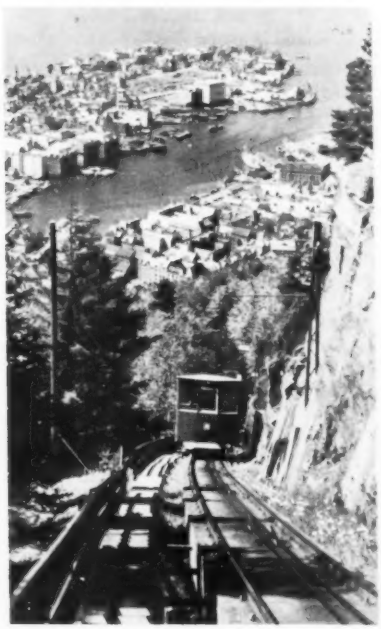
So great is the Norwegian awareness that theirs is a highly centralized State that local boards and committees of this type are frequently used to bring local influence to bear and to guard against overcentralization.

Our traveling U.S. interviewer would be surprised and pleased by the calm and unhurried, if businesslike, atmosphere which prevails in a Norwegian employment service office. In part due to the national labor

shortage, in part to an adequate staffing pattern, and in part to careful long-range planning and deliberate execution of all programs, his local office would exhibit none of the atmosphere of crisis and the hurried execution of "crash programs" to which he had become accustomed in his own country. He would find, however, that the organization is flexible enough to move quickly and decisively when the need or the opportunity arises. The flexibility with which the system operates is clearly illustrated by the following quotation from the National Budget of Norway, 1964:

"The very low temperature and the long duration of cold period which began at the close of 1962 resulted in a greater drop in employment in January–February 1963 than is normal for that time of year. In order to counteract unemployment, an extra appropriation was granted to extraordinary employment measures in excess of the normal twenty-five million kroner . . . . Over twelve million kroner of appropriations to measures for special training courses for adults seeking work were provided. These courses were attended by 5,100 persons as compared to 3,200 last year."

Bergen, capital city of Norway's fjord country, seen from the funicular railway.



The city hall is a famous landmark in Oslo.

For comparison purposes, in proportion to population, training 5,100 persons from the Norwegian work force would be the equivalent of 262,000 trainees in the United States. The ability to move quickly enough to provide training and the upgrading of skills to so large a portion of the national work force, seizing an opportunity afforded only by an unanticipated and unusual weather condition, speaks for itself.

The employment service in Norway has its problems. The labor shortage, while not as severe as that of some other European countries, is not as susceptible to the remedy of importing workers from Italy, Spain, and other southern European countries. Imbalances exist, with pockets of seasonal unemployment and underemployment in remote areas, to which the employment service must diligently apply the battery of incentives for promotion of geographic and occupational mobility.

The last major labor reserve exists among the married women of the country. Participation by women in outside paid employment is much lower in Norway than in other European nations. In 1960, only about 10 percent of the married women were part of the work force as contrasted with Sweden's 26 percent. There are an estimated 300,000 women in the age groups 35–54 without children under school age who would be a valuable addition to the work force. It will be the unenviable task of the Norwegian employment service to promote the increased participation of this group in the industrial life of the country. Despite traditions and attitudes, the employment service is aproaching this task with courage, if somewhat gingerly.

Private employment agencies are banned by law in Norway, and all vacancies must be listed with the national employment service. Yet there is no evidence whatever that this monopoly position in the employment agency field has resulted in any dictatorial labor direction or the imposition of "controls" over transactions in the job market. Nor have any of the other dire results, which propagandists in the U.S.A. confidently predict as the outcome of an adequately financed national employment service, come to pass. Rather, job market activity is characterized by a spirit of voluntarism. Great care is taken in occupational counseling to present factual information and to avoid influencing free occupational choice. Even in the application of mobility incentives, free and voluntary selection of job and employer is emphasized. Only 20 percent of new hires are employment service placements, the other 80 percent occurring through traditional channels of gate hiring, newspaper advertisements, and the recruiting of friends and relatives of employees. The Norwegian employment service is content with this on the sound theory that their efforts are best devoted to those employers and workers who seek the service.

The impressed visitor to the Norwegian employment service leaves it

(*Continued on page 42*)

Federal Institute for Employment Service and Unemployment Insurance

ANTON SABEL

Under Federal law in West Germany, the functions of public labor exchanges, vocational guidance, apprenticeship placement, and unemployment insurance are assigned to an independent Government corporation—the Federal Institute for Employment Service and Unemployment Insurance (hereinafter referred to as the Federal Institute)—with headquarters in Nuremberg. The law of May 1, 1952, by which the corporation was founded, was a logical continuation of the historical development which began with the enactment of the Law Regarding Labor Exchanges and Unemployment Insurance of October 1, 1927, and was interrupted only during the National Socialist period.

The Federal Institute is a self-governing corporation under the supervision of the Federal Minister of Labor and Social Affairs. It acts on its own responsibility through its central organs—the executive board and board of directors—and through its president. Its operations are directed according to the guidelines laid down by the executive board.

Anton Sabel is President of the Federal Institute for Employment Service and Unemployment Insurance in Nuremberg, Germany.

The executive board and the board of directors are each composed of an equal number of unpaid representatives of employers, workers, the Federal Government, the States, the municipal associations, and municipalities. Each of these groups and political jurisdictions has three representatives on the executive board and 13 on the board of directors. These members are appointed by the Federal Minister of Labor and Social Affairs on the basis of recommendations made by employer associations, labor groups, by the Federal Government, the Parliament, and the central associations of the municipal self-governing corporations. The president of the Federal Institute is appointed by the President of West Germany on the recommendation of the Federal Ministry and after consultation with the board of directors. The powers of the executive board and the board of directors are set forth in the charter of the Federal Institute.

The Federal Institute is organized on three levels, namely: A central office in Nuremberg; 9 regional offices, which, as a rule, have jurisdiction over one or several States and are under the direction of a president; and 149 local offices and 568 itinerant points or sub-offices. Each of the regional offices and local offices has a self-governing body composed of employer, worker, and public representatives.

The central office ensures uniform

Frankfurt has a population of nearly 700,000.

Young German apprentices on the job.

performance of their assigned functions through its power to issue directives to the regional and local offices.

In carrying out the job placement functions, the following installations are also subordinate to the central office:

(1) The Central Placement Office in Frankfurt, which has jurisdiction over the placement of executive-type personnel in all of West Germany, the placement of personnel from or in other countries, and interregional placement on a nationwide basis;

(2) The German Commissions in foreign countries for recruitment of foreign labor to work in Germany; at present, such commissions are operating in Greece, Italy, Portugal, Spain, and Turkey.

This widely ramified network of facilities covers the entire territory of West Germany so that any employer or worker may have convenient access to the placement and other services of the Federal Institute. At the same time, the centralized functions utilize rapid communication and reach even the remotest areas.

The functions of the Federal Institute are carried out by about 27,000 employees (civil service officers, staff employees, and hourly workers). About 11,000 are engaged in placement work, 3,000 in vocational guidance, 4,000 in unemployment insurance (including funds for children's allowances), and the remainder in general administration.

The costs of these operations are paid out of the contributions of employers and employees to the unemployment insurance fund. At present, the contribution rate is 1.3 percent of gross wages, divided equally between the employer and the employee.

The primary functions of the Federal Institute are: To serve as a labor exchange, to provide vocational guidance, to minimize unemployment, and to eliminate any shortage of labor. However, insofar as some unemployment is unavoidable, the Federal Institute must pay unemployment insurance. After the benefits to which a jobless person is entitled under insurance legislation have been exhausted, it must grant unemployment relief (a reduced allowance) on behalf of the Federal Government. In addition, as administrator of the Federal Government's children's allowance fund, the Institute is also responsible for the payment of children's allowances fixed by law for every second and succeeding child. With approximately 1.9 million youthful claimants, the great amount of work can be handled only by use of the most modern equipment.

Over the years, there has been a substantial shift in the relative importance of these functions. When the Federal Institute was founded in 1952, its primary function was to reduce unemployment and, in the meantime, to pay unemployment allowances. Now, however, the Federal Institute is chiefly concerned with eliminating the shortage of manpower. This is shown most clearly by the following comparison: On September 30, 1952, when there were about 15.5 million persons employed, there were about 1 million unemployed. On September 30, 1964, when there were about 22.5 million persons employed in the Federal territory, there were only about 100,000 unemployed, and 670,000 reported job openings. In other words, there were more than six vacant positions for each unemployed person.

The work of the Federal Institute has been reoriented according to the changed situation. The job placement operation has been expanded and strengthened, without altering the principle that use of the facilities of the Federal Institute is voluntary. For certain occupations, such as seamen, bargemen on inland waterway craft, and hotel and restaurant workers, special placement services have been set up with interregional areas of activity. In regional offices are the newly-established regional placement agencies concerned with the higher professions, especially engineers. The Central Placement Office in Frankfurt has charge of placing persons in academic professions throughout West Germany. All of these offices are joined in a nationwide network through a special system for circulating job applications and contacting employers. Throughout the West German territory, their operations are geared to finding a suitable job for any person using their services and to recruiting the manpower needed by business and industry. These specialized placement agencies found jobs in 1963 for a total of about 200,000 persons.

The mobility of the labor force, which was to be strengthened by the establishment of these interregional placement facilities, is still further promoted by certain forms of financial assistance. These include payment of travel expenses, moving expenses, transportation costs for commuters, temporary subsidies, and special allowances in the event that the worker must maintain two households for any length of time. For per-

(Continued on page 43)

North American Conference on the M

The Impact of Automation

TOBA S. HER

On Occupational Patterns

USA It is not yet clear that technology is significantly upgrading the average level of skills, according to U.S. Commissioner of Labor Statistics Ewan Clague. Higher skill levels are required for such occupations as business machine servicemen, maintenance electricians, tool and die makers, and servicemen for household appliances, as our technology becomes more complex. However, technology has reduced the level of skills required in many occupations—numerically-controlled machine tools reduce the skills needed by machine tool operators, typesetting machines have simplified the work of typesetters, and preassembled building components demand less skill on the part of carpenters.

In industries where employment has declined as a result of technological developments, the largest decreases have been among the least skilled occupations (the repetitive, simple tasks that are easier to automate). At the same time, the relatively greater growth in white-collar than in blue-collar occupations, the large increase in the number of professional and high-level managerial workers, and the faster increase of craftsmen than the less skilled groups in our labor force lend support to the thesis that technological changes have increased the skill structure.

In addition to technology, however, occupational employment patterns have also been changed by population growth and changing age distribution; by government policy relating to the size of defense and space programs and to expenditures for research and development; by shifts in the distribution of income and changing patterns of consumption; by institutional factors, such as union-management relationships and practices; and by the supply of workers in certain occupations.

Thus, the increased need for teachers and medical personnel arises from the growth and aging of the population. Defense production in private industry requires a larger proportion of professional and technical workers than that in all U.S. manufacturing—15 percent compared with 9 percent, and a smaller proportion of operatives—31 percent compared with 43 percent. In electronics manufacturing, for example, military and space products employment is made up of 60 percent nonproduction workers (engineers, technicians, administrative workers, etc.) and 40 percent skilled, semiskilled, and unskilled production workers. By contrast, the work force on consumer products in that industry consists of 30 percent nonproduction workers and 70 percent production workers.

Further, the large increase in white-collar employment results from the greater-than-average growth in State and local government, finance-insurance-real estate, trade, and business and professional services—all users of large numbers of such workers.

Regardless of the specific effect of technology on skill levels, the need is urgent for more education to enable individuals to adjust to changing job requirements. Also, periodic retraining may be necessary for many adult as well as young workers for, as technology increases the tempo of industrial change, the need for a better-educated work force will grow.

(Continued on page 41)

The conferenc

From December 8 through 10, 1964, international conference on automatio sation for Economic Co-operation and the USA, experts in the field met in discuss major research findings on the on employment and unemployment, t eliminated by technology, and the effe the impact on workers.

By pooling their experience, OECD guidelines for manpower decisions so t the full benefits of technological change United States has had more extensive technological change and manpower problems, this country was selected as

About 150 representatives of govern from 14 of the 21 member countries a some 150 observers attended. As co- Labour Allan J. MacEachen and OEC sen, U.S. Secretary of Labor W. Willar Officials of the labor departments of b roles as representatives of the nations perience, which Secretary Wirtz said logic to manpower decisions."

Selected papers of the conference a the proceedings will be published soon OECD and distributed in the United S

Toba S. Herzenberg is in the Branch o ment Service.

Manpower Implications of Automation

RZENBERG

e in session.

the United States was host to the first
n. Sponsored jointly by the Organi-
Development (OECD), Canada, and
Washington, D.C., to examine and
implications of technological change
the nature of jobs being created and
ectiveness of steps being taken to ease

participating countries hope to find
hat industry and workers may realize
e at minimum human cost. Since the
e experience with both the effects of
programs to deal with the resulting
the locale of the conference.
nment, labor, industry, and education
the OECD participated; in addition,
-chairman with Canadian Minister of
D Secretary-General Thorkil Kristen-
rd Wirtz opened the 3-day conference.
oth Canada and the U.S. had leading
s which had the most to offer in ex-
"remains a more reliable guide than

re summarized below. Full report of
along with official conclusions, by the
States in paperback form.

---

f Technical Publications, US Employ-

Programs for Manpower Adjustment

Collective Bargaining Measures

USA

Union attempts to deal with technological changes through collective bargaining, as cataloged by labor representatives, include requests for advance notice from management to obtain time to develop methods to adjust workers to the innovations; reducing worktime through vacations, early retirement, and increasing relief time, all of which create additional jobs; seeking transfer of displaced workers to other departments or establishments, or even to other occupations; severance pay; and retraining. Union participants agreed, however, that collective bargaining alone could not be relied upon to mitigate the impact of technological change on displaced workers. Such measures as have been used so far, at best, approach the problem piecemeal, on a single plant or industry basis, and aid only the incumbents of jobs. These measures do nothing to alleviate the effect of "silent firings." Representatives of labor emphasized that an adequate national manpower policy on automation is needed.

The discussions agreed that more planning at the national level was required and that collective bargaining must be directed toward reinforcing an adequate manpower policy on the problems created by automation. It was pointed out that collective bargaining may someday be necessary on a multiplant, multifirm, or even a multi-industry basis, rather than on the narrow bargaining approach now used. Some charged that labor unions, as today constituted, are not flexible enough, that their present institutions—pension plans, seniority rights, etc.—serve to restrict changes and that labor leaders should consider institutional changes in collective bargaining to deal with problems of automation.

Further, the opinion was expressed that the creation of jobs, income maintenance, cost of relocating workers, etc., are responsibilities which collective bargaining has had to assume because of the lack of an adequate national manpower policy.

Management-Union Adjustment

Canada

Many situations arise where adjustment problems may be beyond the capacity of an individual company or plant to handle. Management concern with increasing efficiency and maintaining its competitive position and labor's interest in job security or some method of cushioning the impact of change, which management interprets as obstructionism, often bring collective bargaining to an impasse. The Manpower Consultative Service of Canada attempts to create an atmosphere and a structure to deal effectively and smoothly with manpower adjustment problems.

According to its Director, George Brooks, Canada's Manpower Consultative Service encourages management and unions to conduct manpower research programs, half the cost of which may be borne by the Government. These programs must be undertaken in full consultation with the union and must be developed in advance of the changes. In other words, planning for manpower must be concurrent with planning for technological change.

While the Service will not do the research, it assists in every way possible. When the research yields constructive proposals for dealing with manpower problems, the Consultative Service then will coordinate existing training, placement, and counseling services—public and private, provincial and Federal—in order to make the most effective use of them.

Given proper lead time for careful planning, problems can be dealt with at the plant level where they occur (plant level may be interpreted as companywide or industrywide, where necessary). Since ultimate responsibility under Canada's plan rests with the employer and union, the fundamental functions of collective bargaining are left unimpaired. In companies with no collective bargaining relationship, the Service stresses the need for employee knowledge of the program.

While agreement is apparently general that the idea is sound, there is some reluctance on the part of specific employers and unions to embark on the kind of research that is proposed, largely out of fear of loss of tactical bargaining advantages. A number of programs underway promise reasonable solution to problems. However, Mr. Brooks predicts it will be another year or 2 before the usefulness and validity of this approach can be evaluated.

Automation—Second Industrial Revolution?

"What we want is to get all the long-run advantages of the age of automation without the short-run misery that was associated with the Industrial Revolution.

"* * * we must always remember that 'manpower' really means 'people'—people with plans and ambitions of their own * * *. They are not just workers; they are people and, as such, they form attachments to other people, to institutions, and to communities. We must remember this when we design manpower policies and programs * * *."

Hon. Allan J. MacEachen
Minister of Labour, Canada
December 9, 1964

Worker Adjustment Programs

USA

The United States is only at the beginning of a new era in manpower development and use, emphasized Robert C. Goodwin, Administrator of the U.S. Bureau of Employment Security. The new problems are too difficult and too interrelated to permit quick and easy solutions, but the Nation has recognized the need for and defined the basic elements of an active manpower policy. In experimenting with a variety of approaches to implement its purposes, the U.S. Department of Labor, its Bureau of Employment Security, its U.S. Employment Service, and the affiliated public employment services of the 50 States, all have a major manpower role.

Automation Pilot Projects

Several programs are part of the national response to problems implicit in the labor force adjustment of workers affected by technological change. The first, "Automation Pilot Projects," includes detailed inplant analyses of jobs and work force transitions, intensive placement services to separated employees, and documentation of worker characteristics, adjustment services offered, and postlayoff employment histories of each displaced worker. Some of the 24 projects which were undertaken in 11 States between 1961–63 are still going on and much of the information and experience are as yet unexplored. However, some preliminary impressions about the relationship between automation and employment problems follow:

1. Regardless of what measurement is used, less labor per unit of output is required. Reductions in labor input may take one or a combination of forms:
   a. Outright layoffs.
   b. Increase in output without a corresponding increase in the work force.
   c. Reductions in new hires.
   d. Shortened work year, reduced use of overtime or of subcontractors.
2. In the new operation, there are usually fewer elementary jobs, and the percentage of skilled workers is thus greater.
3. Heavier displacement of workers at the bottom of the occupational hierarchy doesn't result from lack of ability but from the fact that simple or mass production tasks, whether blue collar or white collar, are easiest to automate, and present a more obvious target for labor savings.
4. Training required for successful performance in the automated processes has been minimal. Work force reductions are often based on seniority agreements, and retained workers take on the new process with a minimum of difficulty.
5. Assumptions about the relatively hopeless situation of unemployed, unskilled, or poorly educated workers may not be universally valid. Analysis of the characteristics of such workers often reveals an extensive array of job experience and employment potentials.
6. Some workers face barriers to reemployment—personal, social, and economic. Unless these barriers are identified and removed, the persons involved have a tendency to drift into chronic unemployment.
7. Given a high level of effective demand, the application of long-recognized techniques of job market analyses, interviewing, aptitude testing, and counseling—aimed at overcoming barriers to reemployment—can be effective in promoting the adjustment of many individuals to changing requirements.

These automation pilot projects do not support the more pessimistic assumptions about the nature and effects of technological change. Given appropriate attention and employment action, it seems that no individual need be arbitrarily relegated to the category of "unable to adjust."

Retraining

A second program to assist in the adjustment of workers was made possible by the Manpower Development and Training Act of 1962, which provides for the major publicly fostered training program in the U.S. The act, and

its more recent amendments, provides that training may be given to unemployed persons in occupations for which there is reasonable expectation of employment. For institutional (inschool) programs, State Employment Services select the trainees and make training needs surveys to discover the occupations in which to train them. State vocational education agencies develop curricula and conduct the actual training. Trainees receive allowances approximately equal to unemployment insurance benefits. Throughout the country, about 4,700 projects for 270,000 trainees have been approved to date.

Two features of this training are especially noteworthy in this discussion. One, the multioccupational type of project, is aimed at those workers whose potential is inhibited by educational deficiencies that make them less able or unable to benefit from vocational training. This type of training can be operated on a citywide or statewide basis, with area training centers, and in the context of a comprehensive analysis of occupational trends and needs. Training is available for 72 weeks in these projects, of which not more than 52 weeks may be vocational. The rest is basic education designed to bring the trainee's competence in reading, writing, and arithmetic up to where he can become employable as a result of occupational training.

The second feature involves youth. The training for young people is broad-range, including orientation to and motivation toward the world of work, plus basic education and the provision of a vocational skill. Also included is followup after placement, to assure good vocational adjustment. About 91 such projects for about 41,000 youths are now approved throughout the Nation, and others are being developed.

These activities are concerned with the work-adjustment processes of individuals who may become chronically unemployed if their employment problems are not dealt with specifically. Some of these people are displaced from their accustomed occupational environments and others are new entrants to the labor force, with no ready or clear way to become a productive part of it.

Early Warning System

The major approach to advance manpower action is the Mass Layoff Reporting Program. While the emphasis is on obtaining notice in time to allow for planning of manpower services at the local level, it is tied to a reporting system so that experience with it is available at the Federal level.. State employment service agencies are asked to report actual or anticipated layoffs of 100 or more workers and to describe the actions taken or planned by the local employment offices. When the nature of the layoff appears to require it, special manpower actions with Federal assistance are undertaken.

These reports call attention to unemployment trouble spots and indicate the extent of mass layoff activity in the State agencies. During the first 2 years of the program, State agencies reported 250,000 permanently laid off, over two-fifths from plants that were closed. About 40 percent of the reports were received in advance of actual layoff. In about a third of the permanent layoff cases, local employment offices undertook intensified assistance efforts for the displaced workers. These efforts included working with local economic development agencies, stepped-up job development activities, the utilization of training opportunities such as are provided under the Manpower Development and Training Act, and fullest use of interarea recruitment facilities. Regular local office services were generally afforded all other laid-off workers.

Economic Setting of Automation

Economic background for the conference was provided by Dr. Seymour L. Wolfbein, Assistant to the Secretary of Labor for Economic Policy, Leon Greenberg, Assistant Commissioner of the U.S. Bureau of Labor Statistics; and J. P. Francis of the Canadian Department of Labour. Some of their conclusions are:

• Technological change is accelerating. However, past trends and current developments do not enable us to predict whether automation's impact will be sudden or gradual over a period of years. New technology may spread very rapidly in some industries, but more slowly in others; new products may reduce labor needs in some industries, while creating employment in others. The bulk of expanding expenditures for research and development in recent years has been for new and improved products, with only a small portion on research that might contribute to greater productivity and reduced labor needs. Also, expenditures for capital goods have been increasing, but not at an unprecedented rate.

• Far-reaching innovations are occurring in 11 broad areas—agriculture, electronic computers, instrumentation and automatic controls, numerical control of machine tools, communication, machinery, transportation, power production, materials handling, metal processing, new products and materials. Although new products stimulate employment growth, they also cause shifts in employment requirements which result in displacement and readjustment problems. In the United States, approximately a quarter million jobs are being lost in agriculture yearly; the auto industry produced the same number of cars in 1963 as in 1955 with one-sixth fewer workers; and, between 1957 and 1963 employment dropped 31 percent in the railroad industry and 19 percent in the oil refining industry.

• Even when employment is expanding, technological changes may result in serious unemployment problems for particular groups of workers—inexperienced young workers, older workers, members of minority groups, etc.—who are not adequately prepared for new jobs which may arise in other industries, localities,

or occupations, and who need continuing programs to assist them in locating new employment.

• Greater cooperation and exchange of information between management and labor will be required to achieve acceptance of change by employees. Provisions of collective bargaining agreements concerned with job security tend to conflict with the growing need for change and labor mobility. As the pace of technological change increases, the need to resolve this conflict becomes more urgent.

• There is a need for more information on which to base manpower decisions. The role of the public Employment Service is of added importance, particularly in providing information on job opportunities and supply of available workers, as well as in counseling, training, selection, and placement, to assure maximum utilization of manpower resources.

Education and Training for Automation

Educators must foresee the needs of a world of automation and teach students to prepare for further change. According to Dr. Virgil M. Rogers of the National Education Association (a nonprofit, private organization in the U.S.A.), this calls for increased emphasis on cultivated general intelligence, abstraction, and basic academic skills, as opposed to performance skills. In his opinion, a liberal arts education, once reserved for the few, may have become the most practical education of all.

We must assure every child the opportunity for a comprehensive general education; begin preparation at the prekindergarten level; provide adequate counseling, to offer continued help to departing students in their adjustment to the adult world; a secondary school-community college complex must be available to all, adults included. Secretary Wirtz has proposed that "we get unemployment and poverty out of the American bloodstream" by extending free public schooling through the junior college level. Increased emphasis should be placed on the fundamental tools of reading, writing, arithmetic, oral communication, and human relations. We must educate for responsible family planning, to stimulate the creativity of man, and for increased leisure and personal adaptability.

Implications for Government-Sponsored Training

USA

For the future, educational and training systems, both public and private, must be regeared through profound curriculum changes to prepare today's youth for tomorrow's jobs. For the immediate future, retraining programs must be developed for the unemployed as well as for out-of-school, out-of-work, occupationally untrained youth. Regular educational systems, public and private, will continue to provide the great bulk of vocational education for our youth, just as business and industry will continue to provide the great bulk of the retraining of workers. However, the principle is accepted of government aid in meeting training needs, growing largely out of the technological revolution, that are missed by the schools and uneconomical for industry.

Consequently, in the United States, Federal funds promote and support development of vocational and technical education, manpower research and training, and other programs for the development of human resources and the improvement of manpower utilization. Emphasizing that too much can be expected from government-sponsored training, Dr. John P. Walsh, Acting Director, U.S. Office of Manpower, Automation, and Training, identified its limitations as follows:

1. The capacity of the vocational school system is inadequate to absorb extensive new adult training programs. Furthermore, demands of advancing technology will have outstripped the provisions of the Vocational Education Act of 1963 and the Higher Education Facilities Act of 1963 before their full effects can be felt.

2. Technological change is moving at tremendous strides, while education is relatively static—because of its dependence on public funds and the need to establish standards and continuity—and affects government-sponsored institutional training. Government-sponsored on-the-job training needs to be strengthened and expanded, and cooperative (with industry) manpower training centers established, sometimes crossing State lines, to give flexibility to regular vocational programs and retraining programs.

3. Limited programs to upgrade the educational level of the unemployed who are lacking even the most basic education do not allow for sufficient time to do the job properly.

4. Placement of graduates of training programs is difficult, particularly in areas of declining job opportunities. There is vital need for a nationwide job vacancy clearance system.

Experience with past and present programs suggests steps which must be taken to provide the type of pro-

(*Continued on page 42*)

(*Continued from page 36*)

The Impact of Automation

On Jobs and Working Conditions

USA

Most seriously affected by technological changes are routine clerical and traditional production jobs—those involving machine tending, feeding, and offbearing; materials handling; and materials processing, according to Dr. Louis Levine, Director of the U.S. Employment Service. Electronic sensing devices reduce the direct application of human energy, skill, and control.

At the same time, a smaller number of jobs involving distinctly new and higher levels of complexity are coming into being. Equipment design, maintenance and repair, production scheduling; coordination of highly integrated mechanisms; and systems analysis, programing, and engineering are some of the new job categories or refinements of traditional occupational areas.

Stress on research, design, and development has increased the need for scientific and engineering skills while, at the same time, engineers and scientists are devoting less time to the practical application of their theories than to their development. As a result, a large group of technicians requiring technical and related training has been created to provide support in areas of research and development, quality control, testing, or the maintenance and repair of equipment.

While physical effort in many jobs has been eliminated or reduced, this has been offset by a corresponding increase in mental stress. In the operation of an electronic computer system, for example, workers develop a considerable amount of nervous tension because of the accuracy and attention to detail required in programing, their responsibility for the functioning of delicate mechanisms, and the importance of avoiding costly interruptions in the work through errors or malfunctioning.

Other jobs which engender mental strain are high-speed operations requiring continuous and close attention by the worker. The uniformity and excessive simplification of many jobs and the extreme subdivision of functions further delimiting activity can induce physical and intellectual debility, irritability, and other disturbances.

The U.S. Employment Service is becoming increasingly concerned with practical preventive measures with respect to problems arising from the demands of many new jobs. Careful selection of personnel, aside from physical and mental suitability, is emphasized, stressing consideration of medical and psychological factors of workers assigned to mechanized operations.

Another area under investigation by the U.S. Employment Service is the psychological effect on personnel working in isolation from others. More and more workers are sitting in control rooms monitoring equipment. A monitor must keep his eyes on panel lights, dials, and other controlling and recording equipment to prevent damage to product or equipment. This problem may result in modifications of procedures and equipment design, as it is doubtful that careful screening of personnel is an adequate answer.

Mechanization is improving the work environmnet, bringing about better safety and health conditions. Most jobs of the future will be performed in offices or in clean office-like rooms, where processes will be carried on by remote control. Automatic equipment and controls have greatly decreased industrial accidents, and injury rates in highly automated plants are low as a result of mechanized materials handling, elimination of hazardous jobs, and reduction in the number of people concerned with direct production. Dangerous operations can now be monitored by electric eye or television equipment, and workers need no longer be exposed to air contaminants, because they are stationed at control panels completely isolated from the processing area.

Ventilation, temperature, humidity, and noise are therefore becoming less significant in affecting the worker's performance. Surveys are being made of disturbing influences that impair or reduce accuracy and speed of human activities so as to plan the location of work areas and the installation of control and indicating devices to insure the safety and health of personnel who set up and repair the complicated equipment as well.

Jobs being created through automation and technological progress will demand more education and training than those they replace. The U.S. Employment Service has taken leadership in job market and occupational analysis. A comparison of staffing patterns, process descriptions, and job studies will show new operations and the new or existing jobs that are or will be affected by the changes. In this way, trends can be recognized and plans made for training or retraining programs.

Experience With Job Changes

Europe

Professor E. R. F. W. Crossman, of Oxford University generalizes on European experience on the basis of what is happening in England with respect to the changing nature of jobs. Technological change, he feels, is not likely to be strongly conditioned by national or geographic factors.

Many of his conclusions regarding the impact of technology on jobs parallel those of the U.S. and Canada—the removal of a large amount of low-level mental work and an increase in operating stress. In addition, he made some interesting observations:

• More or less complete automation *appears* to raise the skill level in a plant, since the proportion of maintenance to production workers increases. Since there has been no marked advance in the absolute numbers of highly skilled maintetance workers in a given size of plant, most of this apparent effect comes from the "unmasking" of a

layer of skilled personnel who were present but unnoticed before automation. (Perhaps Dr. Crossman's observation may be interpreted as in line with the U.S. findings that workers take on a new process with a minimum of difficulty.)

- In an automated plant, the operating team becomes more cohesive, members are more individually responsible, and the role of supervision changes from discipline to technical leadership. However, this is also seen in a process plant without automation.
- There is greater job security and status for workers in an automated plant, with most workers, even the unskilled, regarded as permanent members of staff with rights equivalent to those of first-line supervision. This is more often achieved by spontaneous changes in management attitude than by trade-union actions; at the same time, there is more careful selection in hiring, with new operators usually "on probation" in a labor pool or in some unskilled occupation.
- No conceivable increase in production can avert the steady reduction in jobs at the semiskilled or unskilled level.

Education for Automation

(*Continued from page 40*)

gram needed by the economy and by persons most seriously affected by technology:

1. Manpower research—continuing studies of the impact of technology on people, occupations, and their relationship—must be intensified.

2. Extensive demonstration programs must be operated to point out the variety of ways to adjust the disadvantaged and displaced for effective work force participation.

3. Business and industry participation in government-sponsored programs must be expanded to make possible the kind of training environment needed to prepare individuals for new occupational categories as they emerge.

4. Manpower Development and Utilization Committees should work for effective early warning systems, so necessary for the functioning of an active labor policy throughout the Nation.

5. A nationwide continuing program of manpower evaluation and analysis is needed to evaluate the accomplishments, shortcomings, and gaps in manpower programs and to redirect and intensify these programs when necessary.

6. Clearinghouses must be set up to provide up-to-the-minute job market information so that government-sponsored programs can respond to changing demands.

7. Broadly drafted legislation with continuous funding is needed to insure that programs are up-to-date and functional, rather than limited by rigid framework.

To the degree that these criteria are met, government-sponsored training programs will be able to meet the demands that are being set by the impact of automation and technological change.

Canada

W. R. Dymond, Assistant Deputy Minister of Labour, reported the wide range of training facilities stimulated by Canada's Technical and Vocational Training Assistance Act of 1960. This training consists of (1) programs for youth who are continuing their general education and at the same time are developing specific occupational competency in secondary schools; (2) post-high school technological or trade training programs having a content of mathematics or technical theory beyond the high school level; (3) technical and vocational training programs for employed or unemployed adults of the labor force.

Since April 1961, expenditure of almost $637 million, of which the Federal contribution was some $385 million, has been approved. Some 602 projects to provide training for 182,000 students in institutions throughout the country have been approved by the Department of Labour. The construction program has provided for 251 new vocational and technical secondary schools, 51 new trade schools, 5 new institutes of technology, and 11 new combined trade schools and technological institutes, as well as additions to all of these kinds of institutions.

Through March 1967, the Federal Government of Canada may provide up to 75 percent of expenditures on approved school construction until each Province has received $480 per person in the student age group, when the Federal contribution will be reduced to 50 percent.

Technical and vocational education must be developed in a way that will avoid the stigma of "second-class" education, and will insure that promising students of real capability are not blocked from entering universities and other postsecondary level institutions. A system of basic credits is needed, so that students may transfer from one program or institution to another and be able to add credits as an adult also.

Canada's dropout problem suggests that its school system, too, has not developed sufficient educational and training programs to meet the needs of all young people. At the same time, increasing skill and education requirements will require the development of programs for adults in the labor force who, having had no high school education, are not in a position to learn the more sophisticated skills. Finally, there is a need for apprenticeship to be more closely integrated and coordinated with other parts of the vocational education system, and otherwise updated in the light of modern industrial needs.

Norway

(*Continued from page 33*)

with the confidence that the ingenious and hard-working Norwegian people, who have faced past adversities with so much courage and have attained so high a standard of living in so barren a land, can face the future with confidence. The patriotism and sense of kinship so characteristic of Norwegians in every endeavor and every walk of life are nowhere more evident than in the diligence, dedication, and skill with which they operate their national employment service.

Women work on the automobile assembly line in Germany.

WEST GERMANY

(*Continued from page 35*)

sons of lesser productive capacity, employers are granted integration and training allowances for periods up to 6 months in order to facilitate job adjustment. All of these subsidies are clearly spelled out in the revised 1962 guidelines for the promotion of manpower utilization. They constitute regular tools of the placement officer, but are to be used, of course, only if it is not possible to fill a job without such help. The Federal Institute, moreover, conducts occupational training for workers who, because of extended unemployment, have lost touch with their trade or who, for personal reasons, are no longer able to work in the occupation for which they were trained.

To encourage acceptance of jobs in West Berlin, the Federal Government has developed other measures, which are likewise being carried out by the Federal Institute. Since 1958, it has also been the duty of the Federal Institute to promote the rehabilitation of those who are seriously disabled. Up to 1963, in fulfillment of this obligation, 80 rehabilitation facilities had been given financial support by the Federal Institute. This included loans for their establishment and subsidies for equipping suitable workshops. Expenditures for this purpose amount to 16 million Deutschemarks (approximately $4 million). In addition, the agencies of the Federal Institute provide specialized counseling of the rehabilitated workers and strive to achieve the best possible results through the collaboration of placement workers, vocational counselors, psychologists, and doctors.

In cooperation with other agencies, the Federal Institute is at present studying the extent to which provisions must or can be made in anticipation of reduced manpower needs resulting from technological progress. It should be pointed out, however, that so far there are no reliable statistics on the number of persons affected or the number of jobs abolished, so that it is extremely difficult to do any firm planning for such cases. In addition, there is nothing definite known about the extent to which persons affected by this circumstance would be willing to undergo any retraining that may be necessary.

The Federal Institute is, however, making use of various approaches to increase labor mobility. It is using funds from its assets to promote housing construction for skilled workers and for commuters who plan to settle near the plant site. Loans are also granted for the construction of rooming houses for employees. Other funds are provided in cooperation with the Federal Government for the systematic establishment and expansion of industrial plants in areas where there is little industry and a reservoir of manpower. From its own and funds of the Federal Government, the Institute may grant loans and subsidies to individuals for additional vocational training. This is designed to increase vocational skills, promote vocational advancement, and thereby create the basis for an increased employment potential. Such training has a dual purpose, as it helps to reduce the shortage of qualified manpower and also give job security in the event of structural changes.

Owing to the lack of a reserve of domestic labor, however, the present shortage of manpower can be overcome only by recruiting foreign workers. As agencies of the Federal Institute, the German Commissions abroad, operating under the terms of intergovernmental arrangements, seek to obtain the manpower needed in Germany. At the end of October 1964, more than a million foreign workers were employed in West Germany. Most of them had been placed through the recruiting commissions, but others sought jobs on their own initiative under the Common Market provisions for the free movement of labor. Still others arrived to take jobs, subject to the approval of the local offices, which are responsible for issuing work permits. At present, the German commissions abroad still have 40,000 job openings listed, which are expected to be filled soon. The employment of foreigners in the Federal Republic shows a constantly rising trend. The largest number at present are Italians, of whom there are about 300,000; next come Greeks and Spaniards, each numbering about 150,000.

The agencies of the Federal Institute account for an average of about 3 million job placements a year. This shows that in spite of the principle that use of the services provided for filling jobs is voluntary, the local offices are called on to play a major role. This is due in large part to the overall organization and the expert knowledge of the placement workers, whose training is constantly being improved through schooling and provision of the appropriate material in the vocational field.

Vocational guidance and the placement of apprentices are likewise pro-

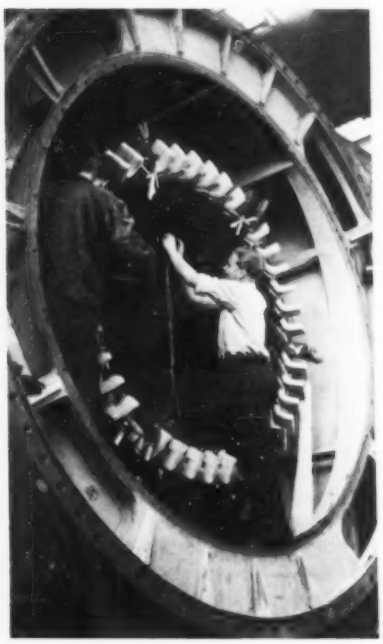
Duisburg, Europe's largest inland port.

vided on a voluntary basis. No one is compelled to secure the advice of the vocational counselors of the Federal Institute. In this case, too, the quality of the work performed must speak for itself. In the first place, an effort is made to afford young people coming out of school a view of the wide spectrum of occupations. This is done by securing the cooperation of teachers. They are provided suitable material from the Federal Institute in the form of charts, instructional displays, etc., for the general orientation of school-leaving classes. Vocational counselors also furnish information about job requirements and prospects by means of talks to students that deal with a broad range of vocations and are illustrated by films or slides. The graduating classes of elementary schools are also provided with wall calendars showing illustrative scenes from occupations, with accompanying explanatory texts.

The annual volume of such printed material comes to 120,000 copies. In addition, Vocational Fact Sheets are published by the vocational guidance services, providing information about all occupations that are currently accessible by means of systematic vocational training. The individual descriptions present detailed information about an occupation, the aptitude requirements, available training courses, and opportunities for vocational advancement. Television is also used to give vocational information; each week vocational broadcasts are presented, arranged in cooperation with the Federal Institute. Since parents may have a decisive voice in the choice of an occupation, letters and special evening programs are directed toward parents. Particular importance is attached to informing children in rural areas, as well as those in cities, about the diversity of occupations.

This general program of vocational information is followed by individual

A turbine factory in Berlin.



Many operations of the Employment Services of the United States and the Federal Republic of West Germany are very much alike. However, here are some differences in the German system:

All placement activity is considered the responsibility of the public employment service, although workers and employers are not required to use the service. The press is allowed to publish ads of vacancies, provided this does not represent the only purpose of the publication.

Local employment service offices carry out their activities for male and female jobseekers separately; women officials perform placement services for women jobseekers, men placement officers for men jobseekers.

In addition to the division of placement departments according to trades and occupations and special departments for handicapped youths, etc. there are also special departments for placement of the blind, the politically persecuted, and for wives and widows of disabled war veterans. All departments are housed if possible in one office.

Employers are obliged to notify labor exchange offices of the beginning, current status, and termination of a labor dispute. Placement will be made only if the applicant expressly requests this, despite the strike situation. Applicants who are on strike or locked out may be placed in new employment only if the employer has been informed of this.

While workers have no legal claim to them, grants may be made under special circumstances for travel expenses for employment interviews. In addition to moving expenses for a worker and his family, costs for return to the original place of residence may be refunded, under certain circumstances. Separation allowances, or allowances for special tools or work clothing may be granted.

A specified proportion of an employer's jobs must be filled by handicapped workers, who cannot be dismissed without sanction of the special department of the local labor exchange.

Programs to improve qualifications of employed workers are conducted by employers and trade unions. Below-standard wages paid to trainees in industry may be supplemented by unemployment insurance benefits.

Group vocational counseling in schools begins in the eighth grade.

counseling and placement in apprenticeships for those who wish to make use of these services. Experience shows that about 85 percent of all school leavers, who number about 750,000 a year, take advantage of the vocational guidance services. For secondary-school graduates, special counseling centers have been established, each under a vocational counselor familiar with academic matters.

Some young persons, because of the difficult financial circumstances of their parents, are not able to take the normal 3-year apprenticeship training to become skilled workers. (An apprentice receives only a training allowance from his master.) The Federal Institute grants an allowance for vocational training to such young persons in order to assure them a broad basic training.

Before such an allowance is granted, however, thorough physical and mental aptitude tests are given, for which the local office doctor or psychologist may be called upon. A total of about 40 million Deutschemarks ($10 million) was expended for this purpose last year.

Special provision is also made for young persons in districts that do not have apprenticeship positions suited to their aptitudes. The Federal Institute grants low-interest loans for the construction of young people's residence centers, which provide appropriate living quarters for young people and ensure their proper care and supervision while they are away from the parental home.

Pursuant to the Law Regarding Exchanges and Unemployment Insurance, placement in a job or in vocational training takes precedence over unemployment insurance payments to a worker. Under the present favorable economic conditions and with the large number of jobs available through the Federal Institute, the payment of unemployment insurance plays a subordinate role compared with job placement. Long-term unemployment has been almost completely eliminated and is limited to a few persons who are physically or mentally handicapped. Only a seasonal increase in the number of unemployed is noticeable. But here, too, a basic change took place with the introduction of "bad-weather allowances" in December 1959. This program provides allowances to construction workers between November 1 and March 31 if full working days are lost because of bad weather and this is immediately reported to the local office. The bad-weather allowance is somewhat larger than the unemployment allowance and is paid by the local office through the employer. This eliminates the repeated layoffs and unemployment registration of a construction worker during the winter. Rather, he remains with his enterprise and can immediately resume work when the weather becomes favorable. This arrangement helps ensure the attachment of workers to the construction industry. The purpose of the program was also to promote more construction work during the winter, but in that respect, it has not been successful.

These school-leavers are being prepared in the Berlin Youth Assistance Service electrical workshop for their start in an appenticeship job.

Other supporting measures have also been enacted. Thus, the Federal Institute may grant appropriate subsidies to building contractors for the additional costs due to building in winter, and also provide low-interest loans to obtain equipment and installations designed for carrying on construction during bad weather. Moreover, employees are given subsidies or loans to obtain suitable clothing for bad weather. The introduction of the bad-weather allowance has considerably reduced the number of unemployed in wintertime, but building activity during the winter has not increased. Other solutions are therefore being sought as a way out of the especially tight manpower situation in the building industry, particularly since otherwise idle equipment would then also be put to better use.

Allowances for working short hours, likewise granted by the Federal Institute, play a very insignificant role. This can be no more than a temporary relief measure for loss of income due to an unavoidable and short-lived lack of work. During full employment, this corrective becomes, with few exceptions, automatically superfluous.

A brief mention should also be made of the so-called "work-relief" projects. Since these are supplementary, nonprofit projects that serve the economy in the public interest by providing jobs, they are promoted by the Federal Institute through subsidies and loans. In the past, when more than a million workers were unemployed, they were of some importance.

(*Continued on page 67*)

ES Contributes to International Cooperation

FRANK DISCHEL

Immersed in solving manpower problems of the local community, employees in the State and local offices of the public Employment Service system rarely take note of the role they play in advancing the foreign policy aims of the United States.

Yet in the past year, staff members in 34 States and 63 cities gave of their time and energies to pass on their know-how in Employment Service programs and functions to officials and technicians from developing countries. In training these visitors to do a more effective job on returning to their countries, we are contributing to the major point of emphasis in the foreign aid program—that of self-help. In most instances, the person trained in the United States is expected by his Government to recommend appropriate improvements in his speciality and to train others in his country in the techniques learned while in the United States.

Study programs arranged for foreign participants when they visit employment security agencies are adapted to their particular needs. A brief explanation of how these programs are organized may be helpful to the many employment security staff members who come into contact with foreign visitors during their training.

Hundreds of foreign visitors—well over 400 last year—come to the U.S. Employment Service each year for brief programs to supplement their primary interests in areas other than employment security. Following general orientation at the national office, they may visit briefly one or more State or local offices, typically for 1 or 2 days. Usually they would like to observe overall local office operations, but some may wish to study some specialized aspect of our manpower programs. Included among these participants are political and trade union leaders, civil servants, journalists, business representatives, educators, vocational training specialists, and industrial and agricultural technicians.

Some are leaders and opinion-makers in their own country who have been invited by the State Department or other sponsor to observe and carry back information about our democratic institutions. They may wish to see Employment Service operations to complete their picture of economic and social conditions in this country. Others seeks to supplement their main field of interest; examples include the personnel director who is interested in the employer relations and industrial services programs, the educator who wants to learn about counseling methods, or the training director who would like to use aptitude testing as a screening device in selection for training. They may travel individually, especially when competent in English, or in teams accompanied by interpreters.

A smaller number of foreign participants, from 25 to 30 in a single year, are sent from developing countries primarily for detailed study of employment security programs. Their training is a joint venture between staff members of the national and regional offices of the Bureau of Employment Security and of the central and local offices of the State agencies. Study in the United States is usually for 6 months, although some may remain for only 3 months and others up to 1 year. They are given instruction at the Bureau's national office by specialists in the fields in which the participants will work on returning to their home countries. An itinerary is developed which enables them to study Employment Service operations at first hand in State and local offices in the U.S.A. Here they have opportunity to discuss operating problems at the point of contact with the public and community institutions. They usually remain 1 week in each city they visit, and their study is more intensive and at a more specialized and technical level than the larger number of short-term visitors to local offices whose interest in our programs is secondary.

Mrs. Ryoko Akamatsu of Japan is one of the few women who have trained under the U.S. Department of Labor program. At the completion ceremony are Akira Nakahara, labor attaché of the Japanese Embassy in Washington, D.C., and U.S. Department of Labor representatives Mary Cannon of the Women's Bureau and Robert C. Goodwin, Director, Bureau of Employment Security.

Study objectives of participants whose training is primarily with the Bureau mirror the entire range of manpower problems faced by older developing and newly emerging nations. The participants' task is complex, for they are expected not only to absorb American experience but also to adapt it to manpower institutions and conditions which are frequently very different from ours or are in an early stage of development.

Frank Dischel is in the Branch of International Manpower Assistance, U.S. Employment Service.

There is the danger of superficial generalization about differences in manpower institutions between the advanced West and the developing countries in Asia, Africa, and Latin America. Extent of modernization varies greatly among nations, and within a single country there may be highly developed cities or economic sectors in contrast to the traditional modes of living and working in the rest of the country. Effectiveness of the training program for a foreign participant therefore is greatly enhanced as those who give the training gain insight into the specific working environment and responsibilities of the participant and the manpower problems of his nation.

Most of the techniques and day-to-day procedures used by the Employment Service in the United States are basically applicable to developing countries. The problem faced by the participant is often one of understanding these methods without being overwhelmed by the sophistication and complexity of detail which may be needed in our country. Interestingly enough, study of some of the early developmental experience and documents of the Employment Service during the 1930's has been useful in the training of some of the participants. To bridge the gap, employment security staff members have developed three handbooks for the U.S. Agency for International Development: "Establishment of National Employment Services in Developing Countries," "Manpower Programs and Planning in Economic Development," and "Techniques for Determining Manpower Skill Needs and Training Requirements." They have become important practical tools in training and communication for foreign participants who have come for training in this country, the American expert who goes abroad to offer technical assistance, and the responsible officials and staff of the manpower institutions of the developing countries.

In recent years, there has been growing recognition of the critical importance of the role of manpower resources in every country's economic development. After World War II, the United States engaged in an effort to help rebuild the devastated European nations and Japan. The speed of recovery and consequent rapid economic growth of these nations exceeded expectations. The key to success lay in the capacity of these economically advanced countries to absorb and utilize this aid effectively. This capacity for recuperation and growth was in turn largely dependent on the existence of a well-educated population, skilled labor force, and highly developed manpower institutions. Massive investment in natural resources and industrial plants, whether from internal resources or through aid from industrially advanced nations, cannot substitute for the often painful and long-drawn-out process of human resource development. The manpower problems faced by developing nations is discussed in greater depth in the article appearing elsewhere in this issue on "Manpower Planning in a Developing Economy" (see page 1).

Osman Mohamed Ahmed of the Sudan holds the certificate marking the completion of his training with the U.S. Department of Labor. With him are Department of Labor representatives John Murray, Chief, Branch of International Manpower Assistance (left), and William R. Curtis, Deputy Director, Bureau of Employment Security (right), and Mr. Mutwakil Ahmed Amin, cultural attaché of the Embassy of Sudan in Washington, D.C.

Participants who come for training with the USES are not necessarily employed in employment services in their country, but all are engaged in some aspect of human resource development. There are those who have responsibility in manpower assessment and information programs. In this country they specialize in the study of data collection techniques and uses of manpower information. Area labor force information programs, especially skill surveys, provide the kinds of statistics so essential to intelligent economic planning in their own countries. Others specialize in study of the organization and management functions of public employment offices, and relationships with other community agencies. They are expected to contribute towards the increased effectiveness of manpower institutions upon their return home.

The concept of a job or occupation is only beginning to take hold in some of the new nations whose economies are based almost entirely on agriculture and supporting family handicraft industries. Occupational analysis and classification therefore constitute another vital area of specialized study for some of the participants. These techniques, together with vocational guidance and aptitude testing, become increasingly important tools as skills become more specialized under the industrializing process of economic development. The entire range of employment service activities is therefore useful in the training of foreign participants.

An important contribution to the total program is the open hospitality extended by staff members to the visitors from foreign lands. On their return to Washington, the trainees have reported enthusiastically on the warmth and friendliness offered to

(Continued on page 49)

1965 International Manpower Seminar

The fifth annual International Manpower Seminar will be conducted in Washington, D.C., from June 1 through August 14, by the International Manpower Institute of the U.S. Department of Labor under the auspices of the Agency for International Development. This marks the establishment of a permanent organization—the International Manpower Institute—within the Department of Labor devoted to assisting senior government executives and consultants from developing nations in the manpower field. The seminars of the Institute are financed by the Agency for International Development.

The 1965 International Manpower Seminar will be given in English and Spanish, and the proceedings will be published in both languages. The 1964 seminar was given in English and French. This is in keeping with the practice of conducting the seminars in particular foreign languages so as to reach officials from most emerging countries. While previous seminars were conducted annually, it is planned that, starting in 1966, they will be on a semiannual basis.

The seminars are designed to assist representatives from developing nations to improve and accelerate social and economic development in their own societies through better and more efficient manpower program planning, development, and utilization. The participants are provided opportunities to analyze, discuss, and consider ways of furthering social and economic development in their countries. The seminars stress the solving of practical problems in preparing populations of emerging countries with skills and knowledge needed, and relating proposed actions to the existing and required institutional framework and socioeconomic plan for development.

The participants of the seminars are provided with enough technical information to participate in overall manpower planning and to be in a position to direct and supervise a staff of technicians. As in previous years, it is planned that the entire seminar will participate in the annual convention of the International Association of Personnel in Employment Security.

Outstanding authorities from the academic world and from Government lead the seminars. This year the Academic Director will be Dr. Irvin Sobel, Professor of Economics at Washington University, St. Louis, Missouri (U.S.A.), and the faculty will include Professors David Felix, Hugh Folk, Frederick Harbison, Morris Horowitz, and Herbert Parnes from the academic world. The faculty will also include Thomas Posey and John Hilliard of the Agency for International Development, and Burnie Merson and Edgar McVoy from the staff of the Bureau of Inter-

U.S. Secretary of Labor W. Willard Wirtz addresses graduates of the 1964 Labor Department Manpower Seminar. Seated at left is George L-P Weaver, Assistant Secretary of Labor for International Affairs, and at right is Dr. Irvin Sobel, Professor of Economics at Washington University (St. Louis, Mo.), who was director of the seminar for 1964.

national Labor Affairs in the U.S. Department of Labor. Assistant Secretary Leo R. Werts, Stanley H. Ruttenberg, Manpower Administrator, and Louis Levine, Director of the U.S. Employment Service (all from the U.S. Department of Labor), will be among the guest lecturers for the 1965 seminar.

In previous years, these seminars have attracted a number of participants holding high-level positions in the employment services of their countries. Among them were:

1964

India—Swarup Narain Channa, Director, National Employment Services.

Indonesia—Eliander Dantjie, Director of Vocational Guidance, National Employment Service.

Pakistan—A.S.M. Ali Ashraf, Director General, National Manpower Council.

Peru—Hugo B. Rodriguez, Deputy Director, National Employment and Human Resources Service.

Viet Nam—Phung Huy Phan, Director, Employment Service.

1963

Brazil—Sonia Apparecida Ferreira, Acting Chief, Recruitment Selection and Placement Section, Manpower Services, State of São Paulo.

Chile—Aida T. Belmar de Montesinos, Deputy Chief, Department of Employment and Manpower.

Republic of China—Dien Mo Wang, Chief, 7th Division, Labor Department.

Israel—Dov Cohavi, Director of the Employment Department.

Dominican Republic—Pedro Mota Morilla, Director, National Employment Service.

Turkey—Nihit Ferit Yapar, Director of Research and Occupational Analysis, Turkish Employment Service.

1962

Indonesia—Bonifacius Pangerapan, Chief, National Employment Service.

Pakistan—N. A. Qureshi, Deputy Director, Employment Exchange Organization.

1961

Peru—Alberto Gonzalez Rivas, Chief of Technical Services, National Employment Service.

Pakistan—Mohammad Yasin, Head of Manpower and Employment Section, Pakistan Planning Commission.

Principal AID and Labor Department Washington officials concerned with the planning of the seminars are Ealton (Bud) Nelson, AID manpower expert, who has played a key role in the success of these seminars since they began in 1961; Harry Weiss, Administrator of the Bureau of International Labor Affairs; and John P. Walsh, Acting Director of OMAT.

Afghanistan

(*Continued from page 8*)

My unspoken fear of a humiliating lack of applicants proved groundless. Scores of applicants came to the office in the first few days of operation. Temporarily, it became necessary to schedule interviews as much as a week in advance. The applicants were nearly all male and represented many occupations from the professional to the unskilled, but a majority could best be described as semiskilled.

In the ensuing months, office operations, especially the placement function, became more efficient, and a number of refinements and adjustments in procedures were made to adapt operations to Afghan manpower needs. Work continued on the adaptation of the occupational classification system, the concept was introduced into the employer relations programs to direct a major proportion of their efforts to the larger employers, simple typing tests were developed, labor information bulletins were published, and the director and his assistant were trained in evaluation of office performance and other management techniques. Efforts were also continued to improve the cooperation and coordination between the Employment Service and the Manpower Statistics Office of the Ministry of Planning and with local training institutions.

Many operational problems were dealt with successfully during this period, but certain other problems common to many developing countries remained unresolved. There is a great and continuing need to deepen the understanding on the part of government officials, employers, and workers of modern personnel procedures. There is also a need to improve Afghan attitudes toward accuracy and precision in dealing with data and procedures. Communication problems result from problems of language, two of which, Farsi and Pushtu, are widely used in Afghanistan, complicated by limited mail, telephone, and printing facilities.

Nevertheless, by the end of its first year of operation, the Kabul pilot office had taken 3,832 new applications, received 2,940 job openings, and made 769 satisfactory placements. For the first time in its long history, the city of Kabul had a central clearinghouse where workers and employers could be brought together, and where both could obtain job market information based on standardized occupational and industrial data.

The future of brave, new institutions in developing countries is often clouded. The survival and prosperity of the Afghan National Employment Service will depend upon the soundness of its foundation and the vigor of the leadership and management given to it by the Afghans. Without a doubt, additional technical assistance is needed to expand the work that has been begun to enable the Employment Service to play its vital role fully in the development of this Asian nation.

International Cooperation

(*Continued from page 47*)

them after the close of the working day. This is significant in that it has created in them a better understanding of the United States and its citizens than some had prior to their arrival in the country.

The Bureau and State agencies make another important contribution to the foreign aid program by providing specialists to serve in temporary assignments in developing countries as consultants and advisers on manpower problems. In the past year, 18 staff members, 7 of whom were from State agencies, served in 13 countries for the Agency for International Development or the International Labour Office.

While the foregoing has highlighted employment security activities related to the foreign aid aspects of foreign policy, mention should be made of other Bureau activities which are also international in character. These range from certification for admission of aliens for nonfarm work, to recruitment of qualified personnel for Peace Corps and other overseas jobs, development of special information for tariff considerations, and use of international organizations such as the Organisation for Economic Cooperation and Development and International Labour organisation.

The ILO and

A trainee in the mechanics' workshop at Pillapi, Bolivia, is shown how to make proper use of a lathe by an ILO expert. The equipment for this workshop was donated by the American Federation of Labor in the United States as part of the assistance given to this country under the Andean Indian Programme.

Idle men and men with little to do; a life of endless struggle leading only to frustration—that is the picture in many parts of Asia.

Men seeking light and fulfilment; impatient men striving to catch up with the march of time; promising young men leaving school with little chance of a job. Africa is rising like a giant from an age-old slumber, gaining consciousness and acquiring strength.

Vast tracts of land and men in poverty leaving latifundia to become jobless in towns with bright lights but dim prospects. Latin America needs to put idle hands to work upon idle resources so that men may have a fuller life.

In most developing countries, the employment situation is a persistent source of waste and anxiety; it continues to worsen with the growing annual additions to the labour force.

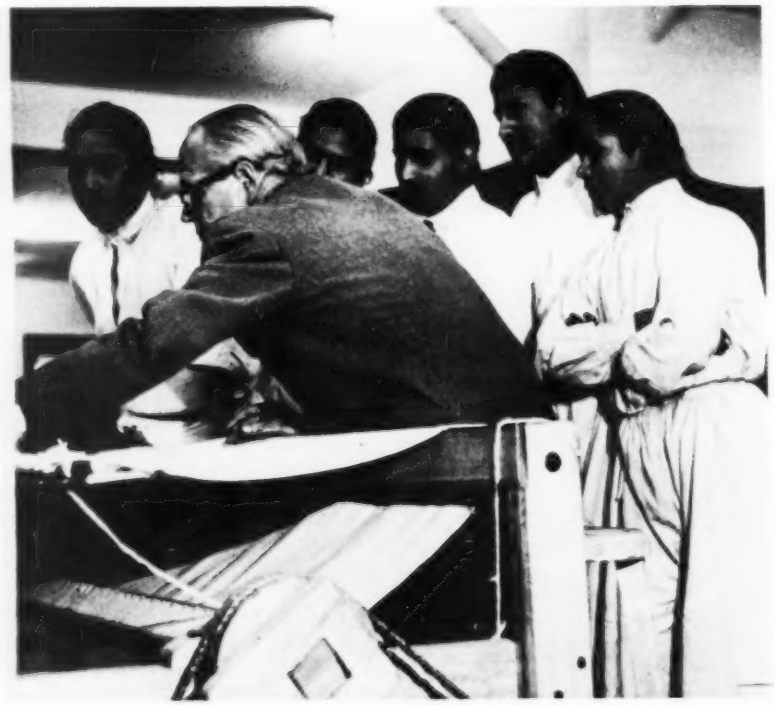
Integrated Approach

Development has become a magic word of modern times. But the magic lies in skilled hands and trained minds engaged in fruitful occupations under social and economic conditions that add zest to living and interest to effort. Where living conditions are bad and means for improving them inadequate, the need for expanding production through an effective policy, suitable training, and raising of productivity is urgent.

It is in this direction that the International Labour Office has made a major effort in recent years when a large number of countries with underdeveloped economies have become independent. The number of Member States of the ILO increased from 79 on March 1, 1959 to 111 on December 1, 1964. It is now necessary to assist these countries in the exploitation of their natural resources, the building of their basic social institutions and systems, and the development of their manpower for a rapid improvement of the social and economic conditions of their people.

But how is all this to be done? Seeking neither a dogmatic finality nor the long-awaited panacea, the ILO hammers out its programmes and procedures with pragmatic approach and practical aim, after painstaking research and a critical analysis of experience. In this persistent endeavour, it has been aided and encouraged by a world-wide cooperation in which, in addition to the governments of the member States,

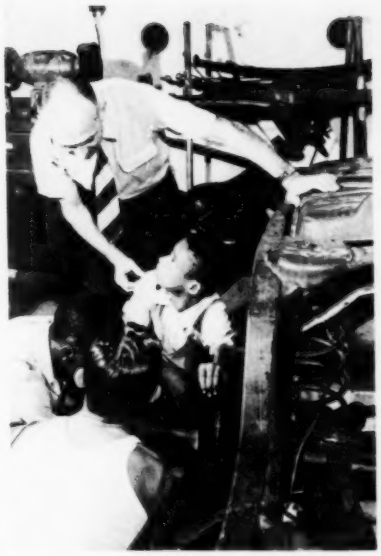
An ILO expert demonstrates new loom and weaving techniques to trainees at the textile handicrafts center in Quito, Ecuador, set up by the ILO.



Under its technical assistance program, the ILO is helping developing countries work out solutions to many of their manpower problems. The photographs in this article show several examples.

Manpower Development

DAVID A. MORSE



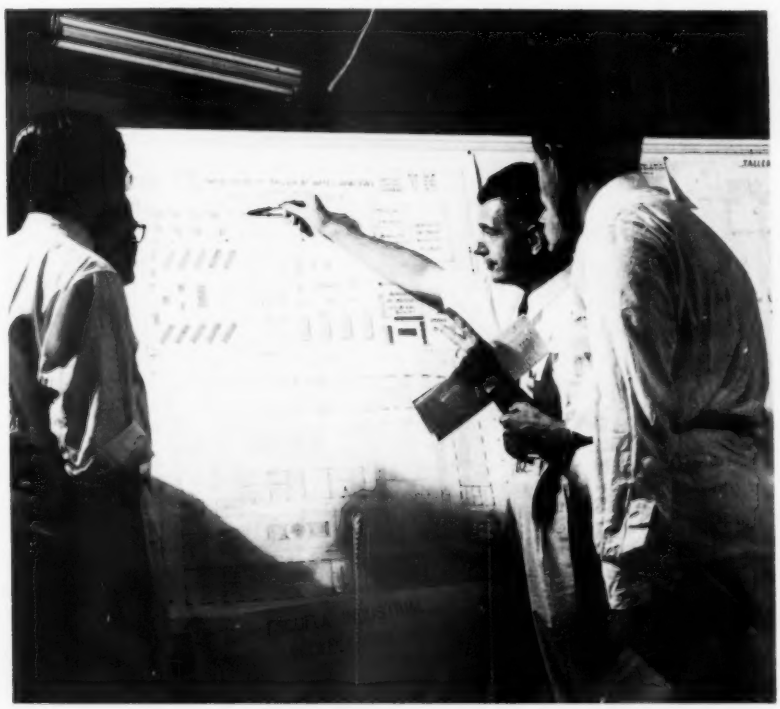
Students in an automobile mechanics course on the techniques of servicing automobile brakes study under the direction of an expert.

workers' and employers' organisations have played an active and creative, often dynamic, part.

Manpower planning with employment objectives has been given particular attention by the ILO because, in most developing countries, planning is needed not only to create an adequate volume of productive employment in the development process but also to take full advantage of the human resources available for the purpose. This can be done only within the overall framework of development planning. The extent to which productive employment might be increased depends on several interlocking factors: The level of investment and its distribution in various sectors; the degree to which idle labour can be used in development works; the extent to which existing underemployed and low-productivity labour can be made more productive without a shift to new jobs; and basic institutional changes, such as land reform. Fruitful action to promote employment cannot be separated from these and other aspects of social and economic development.

The ILO's approach, therefore, coordinates economic development with social progress. Without the first, a better and fuller life is not possible; without the second, economic growth would lack the necessary impetus and its crowning purpose—a full realisation of human potentialities in freedom. Economic development is impossible without adequate operational, technical, and managerial skills. The ILO, therefore, has given priority at all levels to its programme of human resources development. But this programme must be integrated with its activities in the field of industrial relations, social security, and wages and conditions of work which spring from its long-established social ideals.

An ILO expert discusses the layout for a graphic arts shop in an industrial school with Latin American fellows from Chile, Argentina, and Brazil.



Manpower Planning and Employment Policy

To meet the needs of the developing countries, the ILO has evolved a broad conception of manpower policy and planning which serves as a guideline for its activities, whether relating to research, standard setting, or technical cooperation. Briefly, manpower policy should aim to contribute to overall economic and social development and should be concerned with the entire working population. Specific measures of manpower policy should be based on prior systematic analysis of needs and the plans to meet these. Manpower

David A. Morse is Director-General of the International Labour Office.

This ILO expert is explaining details in the fabrication of zinc-covered plates at the iron and steel works in Smederevo, Yugoslavia.

planning is a continuing process, and the plans for the purpose will have to be continually adapted to changes in needs and possibilities.

The International Labour Conference adopted at its 48th Session (Geneva, June–July 1964) a Convention and Recommendation on Employment Policy. These two instruments mark a major advance. The Convention, in essence, provides that each ratifying State shall declare and pursue a policy designed to promote full, productive, and freely chosen employment. It shall, in consulation with the representatives of employers and workers, also decide on and take necessary steps to apply the measures adopted within the framework of a coordinated social and economic policy.

The Recommendation concerning Employment Policy set forth general principles and certain measures of employment policy. It deals with employment problems relating to economic underdevelopment, e.g., investment and income policy, promotion of industrial and rural employment, population growth, and action, national and international, to promote employment. It provides that the aims of employment policy should be clearly and publicly defined, wherever possible, in the form of quantitative targets for economic growth and employment; that each member State should recognise the importance of building up the means of production and developing human capacities fully and should seek and maintain an appropriate balance in expenditure for these purposes; and that each State should adopt measures to help unemployed and underemployed persons to meet their basic needs and those of their dependents, and to adapt themselves to opportunities for further useful employment.

As to specific activities in the field of manpower planning, the ILO provided technical assistance to 27 countries [1] in 1964, compared with 20 in 1963. In scope it covered: Analysis of present manpower; forecasts of future manpower in the light of the economic objectives of any existing plans, including probable changes in the volume of employment; definition of realistic objectives with a view to modifying the level and distribution of employment and better adjustment of educational and training systems to present and future needs; and indication of the programmes and action to be undertaken in order to reach these objectives.

Labour Statistics

Effective manpower planning for economic and social development, however, requires adequate statistical data relating to the employment status of the population, its living conditions, and conditions of work. Such statistics are often lacking in countries at an early stage of development. The ILO's activities in this field, therefore, are largely related to the development and improvement of international standards for labour statistics, the collection and analysis of statistical data, the preparation of analytical reports and publications, and technical assistance in labour statistics.

Vocational Training

Economic development, in particular the development of industry, is impossible without an adequate supply of skilled labour and qualified managerial and supervisory staff. Accordingly, ILO activities in the field of training have been greatly intensified in recent years.[2] Particular attention has been given to key production personnel (instructors, supervisors, and managers) and to occupations or industrial sectors which are essential for economic development. Moreover, to meet adequately the needs of the developing countries, the training has been extended to the agricultural sector, to small-scale industries and handicrafts, cooperatives, commerce, and public administration.

Earlier ILO training projects related to problems of limited scope, mostly in industry. But such problems could be dealt with effectively only within the overall context of the national training systems and a comprehensive approach became necessary. Moreover, projects had to be integrated within national development plans; they also had to be coordinated with the work of other specialised agencies and bilateral programmes.

The three essential ILO criteria for short- and medium-term action in this field are: (1) To train the largest possible numbers with the maximum multiplying effect; (2) to use methods which produce the quickest results; and (3) to keep cost to the minimum. These criteria, however, assume their full importance only when considered from the viewpoint of economic development objectives and within the framework of an overall policy of human resources, covering both general and technical education and vocational training in all sectors. This requires, first, the evaluation of manpower needs and resources in relation to the planning of education and training; and, second, appropriate distribution, between the educational and training programmes, of the responsibilities and the tasks to be carried out.

The current ILO training programmes are carefully designed to support economic development. The objectives of these projects are: To

(*Continued on page 55*)

[1] *These countries were: Afghanistan, Basutoland, British Honduras, Burma, Bolivia, China (Taiwan), Costa Rica, Colombia, Congo (Brazzaville), Cyprus, Ecuador, Iran, Iraq, Israel, Jordan, Libya, Nepal, Panama, Philippines, Somaliland, Sudan, Swaziland, Thailand, Tunisia, United Arab Republic, Uruguay, and Venezuela.*

[2] *Out of 48 Special Fund projects within the competence of the ILO so far approved, for instance, 31 relate, wholly or in part, to vocational training.*

MANPOWER TRENDS

STATE OF THE ECONOMY

As 1965 began, the United States was enjoying a degree of prosperity unmatched in its history. The past 4 consecutive years of unparalleled economic achievement set a postwar record of sustained growth.

In response to the 1964 income tax cut--the largest peacetime fiscal stimulus ever provided to speed the economy toward its goal of maximum employment--production, employment, and incomes jumped ahead, and unemployment was whittled down steadily.

PRODUCTION

The Nation's total output of goods and services--gross national product--advanced $38.4 billion from 1963 to a total of $622.3 billion, an increase in real terms of almost 5 percent. This is more than a full percentage point above the rate of growth between 1962 and 1963. Industrial production rose 8 percent in 1964 and has averaged an annual increase of 7 percent over the last 4 years. In December, the index was 137 percent of the 1957-59 average--10 points higher than the year before.

INCOME AND PURCHASING POWER

Consumer spending reached a new high, with retail sales of $261.5 billion overtaking the 1963 record of $246.4 billion. Expenditures by business and industry for new plant and equipment totaled $44.7 billion, about 14 percent above 1963.

Personal income rose by $27.3 billion during 1964, climbing to a new high of $491.4 billion. After taxes, per capita income averaged $2,248, up 5.8 percent over the year. Average weekly wages in manufacturing reached a record $106.55 in December, advancing $3.89, from the year before and $17.50 from early 1961.

Rising continuously for 4 years, corporate profits after taxes increased $5 billion over 1963 to $31.6 billion.

The consumer price index, at 108.1 percent of the 1957-59 average, advanced 1.2 percent in 1964--the average yearly gain since 1961--reflecting the relative stability of prices and consequent maintenance of purchasing power.

EMPLOYMENT

New records were reached in each month of 1964 in total employment, which averaged 70.4 million for the year. The gain of 1.5 million new jobs--about half a million more

than in 1963--brought the total job gain to 4.5 million over the past 4 years. Even more important, after many years of little or no growth, much of the increase was concentrated in the private sector of the economy. Goods producing industries, blue-collar occupations, employment of adult males, and full-time employment all rose markedly in 1964.

Renewed strength in the private sector of the economy is demonstrated by the creation of 1.2 million additional jobs in 1964, partly reflecting employment increases in manufacturing and construction. From 1957-62 only half of all new jobs were created in the private sector. In the 1962-64 period, the proportion reached nearly 80 percent. Manufacturing added about 500,000 jobs in the recovery of 1961-62 and about 450,000 since 1962, and provided close to a fifth of 1964's total job gain. From 1961, growth was consistent only in the durable goods sector, but last year's pickup in nondurable goods was a major factor in the factory job rise. At 17.3 million, however, factory employment was still below the postwar peak of 1953. Construction, now one of the fastest growing industries, gained nearly 125,000 jobs during 1964, substantially above the 95,000 average annual increase of earlier postwar years.

While the goods-producing industries have resumed their growth, the rate is slower than for overall employment. Service industries and government, however, are expanding at a more rapid rate than at any time in recent history, and are continuing to provide the largest proportion of job gains, as they have throughout the postwar period--more than 70 percent.

UNEMPLOYMENT

Despite the growth in job opportunities, however, the goal of maximum employment has not been reached. An average of 3.9 million persons were still unemployed in 1964. While the 5.2 percent rate of unemployment was an improvement over the year, it nevertheless was the seventh consecutive year with a rate of over 5 percent. Although during the last quarter of 1964 the rate averaged 5.0 percent and dropped to 4.8 percent in January (seasonally adjusted) of this year, the decline is still only moderate and unemployment rates among many groups in the labor force remain considerably above the average.

INSURED UNEMPLOYMENT

In 1964, average insured unemployment of 1.6 million per week and the insured unemployment rate of 3.7 percent were the lowest since 1957. Most of the insured jobless decline was among factory workers, particularly from the metals, machinery, and transportation equipment industries. In 1963, the average volume was 1.8 million and the rate 4.3 percent.

(*Continued from page 52*)

give basic and further training to the technical and administrative personnel of the national training services and of the management development and productivity centers which are being established or developed; to improve the quality of their work; and to introduce new forms of training and new structures which will make it possible to expand and strengthen their programmes.

In recent years there has been an increase in projects involving the establishment or reorganisation, first of particular training systems, mainly for industry (management development, accelerated training of adults, apprenticeships, in-plant training), and then national services responsible for training as a whole for important sectors of the economy (particularly industry), and subsequently for all sectors (primary, secondary, and tertiary).

During 1964, assistance in vocational training was provided to 46 countries.[3] It ranged from large comprehensive projects involving a national system of training to projects in which training is given for one occupation only. The comprehensive training projects generally involve training outside the educational system and may cover training for all sectors of the economy, and sometimes for all levels of the occupational hierarchy.

Human Resources in Rural Areas

The ILO's activity in rural areas has acquired greater importance since a large number of new members had predominantly agricultural economies, and the integrated approach to social and economic development required that the industrial and rural sections of the economy be effectively coordinated. In rural areas, where the problem of social and economic

[3] *These were Afghanistan, Algeria, Argentia, Belgium, Brazil, British Honduras, Burundi, Cambodia, Cameroun, Ceylon, Chad, Chile, China, Colombia, Congo (Leopoldville), Ethiopia, Gabon, Greece, India, Indonesia, Iran, Iraq, Israel, Kenya, Korea, Laos, Malaysia, Moroccco, Nepal, Nigeria, Pakistan, Peru, Philippines, Portugal, Saudi Arabia, Senegal, Sierra Leone, Togo, Tunisia, Turkey, United Arab Republic, United Syrian Republic, Upper Volta, Uruguay, Venezuela, and Yugoslavia.*

An ILO training course for auto mechanics and drivers in pilot workshops throughout the Congo.

In Chieng-Mai, a small town in the north of Thailand, the Thai Government has installed a professional training center, in which about 20 students are instructed on manufacturing lacquerware.

development is more complex, special emphasis is given to three aspects of the programme: (1) Fuller utilisation of rural labour; (2) improvement of the skills of the rural population; and (3) securing the participation of the people themselves in rural development. Long-term pilot projects for rural employment promotion are operating in India and Western Nigeria.

A very significant and successful activity relating to the integration of indigenous populations is the Andean Indian Programme, which is being carried out cooperatively by five international organisations.[1] The ILO continues to assume coordinating responsibility for this Programme, which aims to integrate the indigenous peoples of the Andean region into the social, economic, and cultural life of their respective countries and to improve their living conditions.

The world is one, and yet it is highly diversified and often divided. The tide of history has left different people at different stages of social and economic development, with different ideologies and political systems. Among nations of the world with different cultures, each proud of its own genius, securing broad-based and effective cooperation on a continuing basis requires patient and skillful effort. But the ideals of the United Nations and the ILO transcend diversity. Their translation into reality requires a constant reminder that difference is not opposition, nor is opposition hostility. Other factors have emerged to help in promoting unity of purpose and international action. It is most encouraging that the industrialised countries are prepared to help others in their efforts for economic development and social progress, not only with increasing resources but with an appreciative understanding of their needs.

The challenge of 1965, the International Cooperation Year, is a stirring call for a high endeavour to achieve more speedily the objectives of the United Nations Charter—the maintenance of peace and the promotion of economic and social advancement of all people, of human rights, and fundamental freedom. The ILO, having striven for the attainment of these objectives since 1919, is entering the year with its programme reappraised and its structure reorganised. It will continue to strive systematically for their worldwide realisation with enhanced endeavour, drawing into fruitful cooperation the governments and the employer and worker organisations of the Member States.

[1] *These are the United Nations Children's Fund; the Food and Agriculture Organization of the United Nations; the United Nations Education, Science and Cultural Organization; the World Health Organization; and the ILO. The Programme has 20 centers spread throughout all six countries of the Andean region (Argentina, Bolivia, Chile, Colombia, Ecuador, and Peru), and has been extended recently to cover the Guajira region of Colombia and Venezuela.*

VENEZUELA

(*Continued from page 29*)

ers explaining the advantages offered by the Employment Service for their placement and giving suggestions on behavior when calling at the Placement Offices and during interviews with employers.

Regarding the testing and counseling programs, in the report I presented together with my colleagues, Luis Portocarrero, Chief of the Employment Department, Manpower Division, Ministry of Labor, and Julio Simancas, Chief of the Coordination Section, it was suggested that it would be well to send abroad officials with certain qualifications for the purpose of having them trained in these programs. All agree that this type of program requires highly qualified personnel for its successful execution.

LUIS ALFREDO LEMOINE
Chief, Caracas Employment Office

I prepared a training course on a new system of employer visiting, which up to now has been given in the Valencia Office. Because of the good results obtained, the Manpower Division Chief has asked that the course be given to the officials of the Caracas and Petare Offices in December 1963.

I prepared a new form for the monthly activity reports of the Offices. Besides reducing by 95 percent the cost of the monthly activity report, this form contains additional data enabling the offices to supply information to new industrial plants on available manpower and other characteristics of the area.

Several lectures on basic techniques of interviewing have been given in all the offices of the country as a prelude for the new courses under preparation.

In accordance with the training received on office organization and management, new regulations were issued for the filing of applications, both active and inactive.

I prepared a promotional leaflet to be handed out by the employment offices to the persons waiting to register their applications. This leaflet details the required documents for registration and the preliminary steps to be taken to get a job.

At the present moment, I am preparing a booklet on the Venezuelan Employment Service which I estimate will be ready in about 5 months. This handbook is not a formal manual, but, besides instructions on preparing modified application forms, the officials of the Service will obtain information on how to prepare monthly reports and ideas on how a placement office should operate to yield maximum results. The book also discusses the usefulness of the Service to the Government in planning economic and social programs.

In my opinion, the Venezuelan Employment Service should improve the training of the staff in almost all of its activities and obtain greater cooperation with other government agencies so as to be more widely useful and better known throughout the country.

It is also very important that the Service should have available a budget more in accordance with its needs, thus facilitating its expansion on a national scale—a fact I consider to be the key to the success of the Puerto Rican Employment Service.

JULIO SIMANCAS SALAZAR
Chief of the Coordination Section
Department of Employment

New Approaches to Labor and Manpower Technical Assistance

JAMES F. TAYLOR

For nearly 2 decades, the export of knowledge in the form of technical assistance has been an integral part of the conduct of U.S. foreign policy. Effective development and utilization of human resources are today, more than ever, essential requirements for less-developed countries in their striving for economic growth and social progress.

The U.S. Department of Labor and the various State labor agencies have, for many years, supplied experts to the U.S. foreign affairs agencies and international organizations for overseas technical assistance activities. Recently, for example, Department of Labor experts have been called upon to help: Tunisia plan its manpower development activities; El Salvador strengthen its apprentice training program; Sudan improve its Ministry of Labor programs; Malaysia assess its special programs for women in the labor force; Brazil reexamine its industrial education program; Uganda develop long-range manpower planning techniques; Liberia train government, labor, and employer leaders in the industrial relations field; and Pakistan review its procedures for settling industrial disputes.

In the past 2 years, more than 100 such overseas technical assistance assignments have been completed by Federal or State labor agency experts on loan or detail to various international agencies or foreign affairs agencies—the Agency for International Development, the International Labour Organization, the Ford Foundation, the U.S. Department of Defense, or specialized agencies of the United Nations. These overseas assignments vary in duration from brief consultative missions of a few weeks to technical assistance assignments of up to 2 years. They are generally in the less-developed areas of the world—Asia, Africa, the Middle East, and Latin America.

Until now, these needs were satisfied largely on an *ad hoc* basis: The request for a technician was received from the sponsoring agency; recruitment for the specific opening was initiated; and most frequently the selected individual was borrowed from a key domestic program of a Federal or State labor agency.

The serious disadvantages in this *ad hoc* technique soon became apparent. Important among these are: (1) The competent domestic technician was often inadequately equipped for the peculiar requirements involved in institution building in the milieu of the less-developed country; (2) there were inordinate delays in delivering the expert to the overseas locality; (3) the borrowing of key domestic officials often impeded major domestic labor and manpower programs; and (4) there was a lack of the continuity and sustained followup necessary for effective institution-building assistance.

In recent months, the Department of Labor has developed two fundamentally new techniques for more effective technical assistance in the labor and manpower fields.

Department of Labor International Technical Assistance Corps (DOLITAC)

On October 2, 1964, Secretary of Labor Wirtz issued his ORDER No. 13–64 inaugurating DOLITAC. More recently, the Agency for International Development has approved the concept and indicated that

James F. Taylor (left), Bureau of International Labor Affairs, meets with other officials of the U.S. Department of Labor to discuss technical assistance for a developing country. Left to right: Phillip G. Miller, manpower distribution expert; Chester Hepler, manpower "generalist," residenced in Taiwan; Howard Stambler, labor statistician; Paul Zane, manpower skills training expert; and Adrian Roberts, labor standards and manpower administration expert.

James F. Taylor is Director, Office of Program Development and Coordination, Bureau of International Labor Affairs, U.S. Department of Labor.

it will provide funds to implement DOLITAC.

DOLITAC will consist of a carefully selected group of labor and manpower experts who have the particular personal talents required for effective technical assistance work in less-developed countries and who are committed to accept overseas assignments when and where they are needed. Between their overseas assignments, the DOLITAC members will do technical assistance support work with the Department of Labor in Washington, including, for example, developmental research—accumulating knowledge on foreign practices in the technical field; preparation of technical materials for overseas use; providing responses to technical inquiries from overseas; and training foreign technicians in the United States.

The types of technicians in DOLITAC will be closely geared to the types of technical assistance most urgently needed by the less-developed countries. These include experts in:

Manpower—manpower planning, forecasting, training, distribution, and utilization to help assure that workers are educated and trained to man the factories and institutions that will evolve within the countries' development plans.

Labor Standards—labor legislation and labor law enforcement, industrial safety and hygiene, unemployment and workmen's compensation to assist in protecting and improving the welfare of the countries' workers.

Labor Statistics—development of statistical institutions and labor statistics techniques to assist in providing the factual data necessary for planning and carrying out the countries' economic-development process.

Labor-Management Relations—developing the constructive worker-employer cooperation necessary for stimulating joint efforts for the countries' development process.

Labor Ministry Development and Administration—governmental labor administration in the manpower, standards, statistics, and industrial relations fields to help create viable labor and manpower public institutions.

There will be two types of DOLITAC members. The people in the *Active* corps will be, or become, permanent civil service employees of the Office of Program Development and Coordination, Bureau of International Labor Affairs, U.S. Department of Labor. Between their overseas assignments, they will return to the Department of Labor to work in one of its offices or bureaus. The *Auxiliary* corps members will be part-time consultants on the Department of Labor rolls on a "when actually employed" basis. They will usually be retired labor and manpower experts from Federal or State labor agencies. In some cases, they may be actively employed persons who are authorized by their current employers to accept occasional DOLITAC duty.

DOLITAC members will serve in civil service grades GS–13, –14, or –15 with a salary range from a minimum of $12,075 per annum to a maximum of $21,590. Selections of DOLITAC members will be made in accordance with civil service regulations and after careful screening by a committee of Department of Labor bureau directors. Candidates will be selected on the basis of their technical competence, availability for overseas service, and relevant experience in the international field. It is anticipated that the initial Corps, to be formed prior to June 30, 1965, will consist of 15 Active members and 11 Auxiliary members. This Corps nucleus will be expanded as overseas needs require.

The Department of Labor's initiative in inaugurating DOLITAC has been supported and endorsed by both the AID and the Department of State.

Country Technical Support Teams

Closely allied to the DOLITAC concept is the new technique through which the Department of Labor and the AID Mission in a particular foreign country enter into a contract to provide sustained technical assistance in labor and manpower. Illustrative of this device is the recent agreement between the Labor Department and the AID Mission in Taiwan.

The U.S. Embassy and AID Mission in Taiwan and the Government of the Republic of China recognized that assistance in the general field of manpower was needed to assist the Republic of China in attaining its economic development goals. It was determined that technical assistance and advice were needed in the fields of manpower planning, manpower statistics, manpower employment and distribution, manpower skills development, and manpower administration.

Consequently, the Department of Labor and AID negotiated an interagency contract under which the Department provides: (1) A competent manpower adviser to be residenced for a prolonged period in Taiwan, and (2) competent technicians from its staff for each of the specialized fields (manpower statistics, skill development, administration, and distribution) who are available, if needed, to provide from Washington detailed technical advice and/or to visit Taiwan for temporary assignments to assist in specialized aspects of that country's manpower development program.

Chester W. Hepler is the manpower "generalist" now residenced in Taiwan. For many years, he served in the Bureau of Employment Security in the employment services and manpower activities; he served in Japan as a labor and manpower expert in the U.S. Military Government Program; and for 14 years, he held a variety of key positions in the ILO Secretariat in Geneva.

The Washington-based Taiwan technical support team consists of labor statistician Howard W. Stambler of the Bureau of Labor Statistics; manpower distribution expert Phillip G. Miller of the Bureau of Employment Security; labor standards and manpower administration expert Adrian Roberts of the Bureau of Labor Standards; and manpower skills training expert Paul M. Zane of the Bureau of Apprenticeship and Training.

The Taiwan contract is a prototype for similar Labor-AID contracts for other less-developed countries. This technique provides an orderly method for integrated and sustained institu-

(*Continued on page 60*)

Building Manpower Institutions in Developing Countries*

BURNIE MERSON

Countries want social, economic, and political development. As nations differ in size, location, mineral resources, arable land, historical evolution, length of independence, wealth in plant and equipment, they also differ in the kinds of manpower problems impeding realization of their development goals.

There is at least *one* manpower problem common to all developing countries: They all need to improve their existing manpower institutions, and most need to establish new ones.

In country development, there are three kinds of capital: Material, human, and institutional.

What is country development? According to the Foreign Assistance Act: ". . . the United States has in the past provided assistance to help strengthen the forces of freedom by aiding people of less developed friendly nations of the world to develop their resources and improve their living standards, to realize their aspirations for justice, education, dignity, and respect as individual human beings, and to establish responsible governments." Oversimplified, "development" is economic growth and social justice.

What do we mean by manpower institutions? They are organizations which form, mobilize, utilize, and protect the labor force and those which provide support services of factual information and proper incentives. Some examples are apprenticeship training systems, employment service, a mediation and conciliation agency, free trade unions, a labor statistics organization. They also include those mechanisms which, ideally, operating in a relatively free market, determine wages, salaries, bonuses, fringe benefits, and similar incentives.

Manpower institutions concern themselves with the training, the allocation, and the utilization of the labor force so as to produce more and better food, clothing, and shelter, more and better education, health, and recreation, and more and better tools, shops, and machinery. Economic growth is possible if the gross national product increases at a rate greater than the nation's population. U.S. experience indicates that investment in an improved work force can account for a larger increase in real national product than that provided by an equivalent increase in capital investment.

Of course, economic growth is not an end in itself, but rather a means by which individuals may lead fuller, happier lives. Manpower institutions, therefore, also concern themselves with social justice, human dignity, individual freedom, and raising standards and levels of living.

Many countries have prepared economic and social development plans. Most have at least informal policies and programs covering various facets of growth and progress. No development plan can satisfy the criteria of comprehensiveness, consistency, feasibility, or even realism, without considering these factors: (1) Manpower formation, allocation, and utilization problems and alternative solutions at least partly based on manpower assessments of labor supply, labor demands, and occupational-industrial-geographic gaps; (2) manpower incentives and motivations involved in formation, distribution, and utilization of the labor force; and (3) manpower organizations and institutions required for growth and progress.

There can be little doubt that manpower institutions are needed to support development. There still remains, however, the matter of building these institutions. When an official concerned with development goes from the general to the particular, then such realities as priorities, choice, feasibility, and budget must be faced.

Formulation of a specific manpower policy and program cannot be done in a vacuum. The kinds of manpower institutions needed depend on a host of factors: An understanding of the overall country development plan and aspirations; an analysis of a variety of relevant social, economic, and political variables; a manpower assessment.

The particular "mix" of institutions results from facing up to a host of concrete issues. What is the rela-

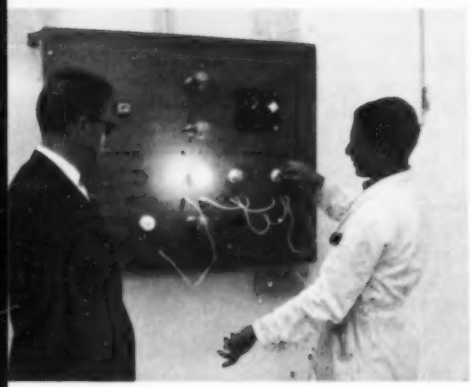
Mohamed Naceur, Under Security of the Ministry of Health and Social Affairs, Republic of Tunisia, conducts an interagency meeting on manpower planning. Mr. Naceur was a participant in a training course given by the U.S. Department of Labor.

tive emphasis to be placed on the educational system as compared with public and private employing establishments for the training of managers, technicians, and skilled workers? What is the desirable balance between reliance on free market forces and state influence in the allocation of right amounts of manpower to the right place at the right time?

Even when program issues are decided, there are many organization problems. To what degree should operations be decentralized? What is the role of the local or regional offices in relation to headquarters? When, as is often the case, more than

Burnie Merson is in the Bureau of International Labor Affairs, U.S. Department of Labor.

**From a paper given at the International Labor Affairs course jointly conducted by the Departments of State and Labor at the Foreign Service Institute School of Foreign Affairs, Oct. 12, 1964.*



An audio-visual aid for teaching electricity in an accelerated training center operated by the Government of Tunisia.

one agency is involved in manpower development, what is an appropriate distribution of authority among them on the focus, scope, and control of manpower activities? When does a wage-price guideline collide with employer and worker freedom of action? How much recordkeeping and tax collection connected with social security programs should be done by the employer?

Developing nations have some kind of central machinery for manpower, even though the institutions themselves vary enormously in organization, power, functions, competency, and methods of operation. Where there is a formal development plan, this machinery is generally an integral part of the overall plan of organization. Where there is no plan, the overall manpower institutions are generally designed to influence market forces in favor of such national objectives as, say, maximum production.

Obviously, there is no ideal administrative arrangement applicable to all developing countries. It seems clear, however, that a nation needs institutions for overall manpower policy, planning, and coordination, and institutions for implementing specific manpower programs.

A manpower official in a developing country must accept the fact that progress is constructive change. The current supply of middle- and high-level manpower must be constantly replenished as death, accidents, and retirement take their toll. Those still in the labor force must undergo retraining to meet the needs of technological change. Modernization of farm and factory affect old established labor-management relations. When a traditional, subsistence economy moves into a market, money economy, a host of wage and salary issues appear. When the extended family system breaks down in the rush to Westernize, substitute methods are needed for taking care of the aged and unemployed.

It All Takes Time

Institution building is a long-time process. There can be false starts and failures, but the goal must be soundly and realistically conceived and must remain. Recently, President Johnson said, "The institutions (of land-grant colleges) are the foundation stones of our society today. Yet these foundations were put in place long ago—by the Northwest Ordinance of 1787, by the Land Grant Act of 1862, by the state support of their universities in the 1870's."

No one can project with any degree of precision the changes in manpower institutions which a dynamic, developing economy will require. The technician overseas and the responsible local officials of the developing country can set basic objectives and then staff and train employees in concepts, current policies, programs, and procedures as well as develop needed basic tools, methods, and techniques. But future job market conditions will determine the exact nature of the institution. For example, the USES was born in the Great Depression, helped win World War II, assisted in the successful demobilization job, and is deeply involved in current problems raised by automation and the war on poverty.

Manpower institutions must be developed from within, by the people of the less-developed countries themselves. Unless responsible host government officials and private citizens are at the center of the process, unless they help plan and execute the U.S.-aided projects, little or nothing constructive is likely to happen. All interested agencies, host country and the United States, have to participate in planning the institution building process.

Practically every developing country faces manpower shortages in the midst of manpower surpluses. The surpluses are largely the illiterate and unskilled. Shortages in high and middle-level manpower can defeat an otherwise sound project. It is, therefore, of the utmost importance that each project which deals with institution building contain some provision for insuring that the host country will have the needed qualified staff to operate and maintain the organization after the phaseout of U.S. assistance.

It is essential that the manpower technician overseas plan and operate in an institutional frame of mind. The use of participant training, long- and short-term technicians, local currency for construction, dollars for equipment, and other resources should not be on a hit-or-miss and piecemeal basis. Rather, each should be viewed as contributing to the institution-building process as a whole.

The American technician is not alone in his job of assisting in the institution-building process. Other articles in this issue indicate how Department of Labor resources are available when called upon. The technician also has behind him the backstopping support of the Agency for International Development. Then, there are the numerous private foundations, such international agencies as the ILO, and foreign assistance supplied by friendly nations directly and through consultative and other arrangements of OECD member nations.

NEW APPROACHES

(*Continued from page 58*)

tion-building assistance and an effective means of tapping and bringing to bear the vast technical resources of the Federal and State labor agencies which may be relevant to the problems of the less-developed countries.

It is anticipated that, in the future, many of the U.S. technicians mobilized to implement these country technical support teams will be either Active or Auxiliary DOLITAC members.

The Manpower Policies of the OECD

SOLOMON BARKIN

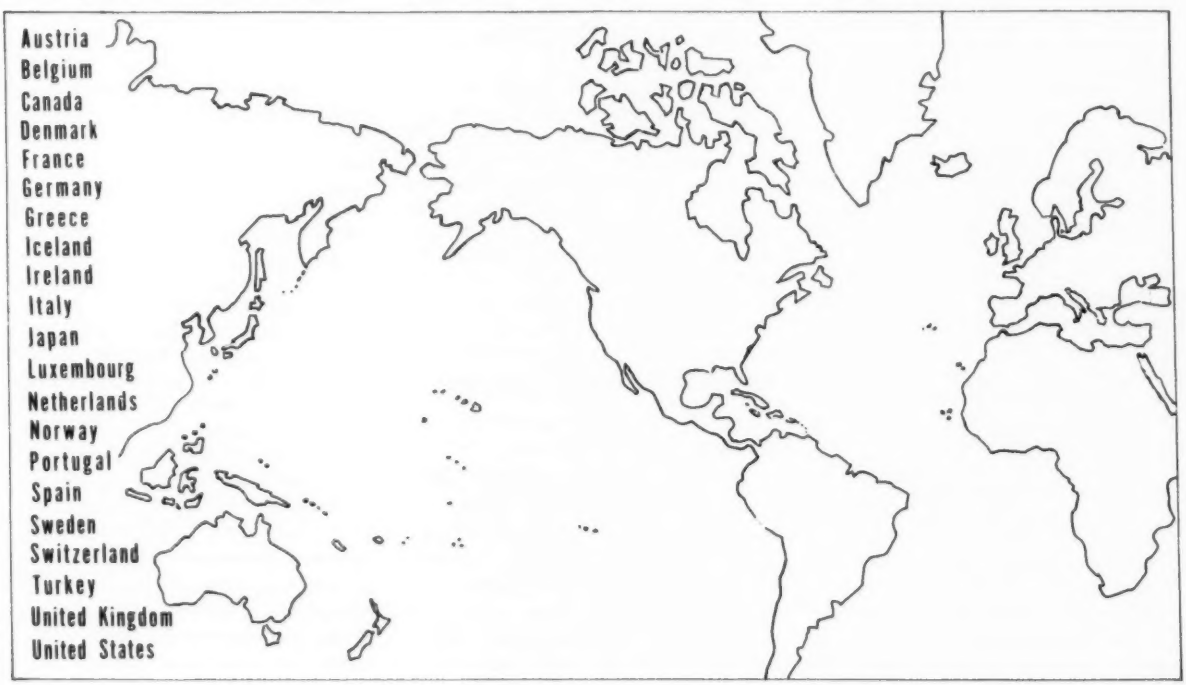
The fears engendered by the widespread unemployment of the thirties inspired the policymakers of the forties to find programs to prevent these maladies from recurring. Chronic prolonged and widespread unemployment was to be eliminated. This public policy was reaffirmed in international and national programs and the realization and maintenance of full employment became a public commitment for all nations.

This goal has been attained in the fifties and sixties by many nations, particularly the advanced industrial ones. Full employment brought with it an accelerated rate of reconstruction from the wreckage of the war and stimulated high rates of economic growth. Countries modernized their economies and introduced the new arts and methods of production developed in recent decades. Physical and human resources became more productive. The new economic gains have provided the economic margins for helping the developing countries in their efforts at growth.

This new economic achievement opened the minds of men to an even broader vision. Economists spoke of rates of growth, but the common man translated these statistics into meaningful measures of personal well-being. *How much better off had the ordinary citizen become?* As the political role of the common man increased, particularly among the nations of the free world, the human aspects became more central in the thinking and planning within these societies. This view of economic policy was crystallized in the Economic Policy Resolution of the 1961 International Labour Conference which spoke of these human dimensions of economic policy when it pronounced in favor of a "Full, Productive and Freely Chosen Employment Policy."

The Organisation for Economic Co-operation and Development, the economic policy agency of 18 European and 2 North American countries, was constituted in 1961 by these nations to help them realize the common goals of the new era of the sixties. Its program envisages the promotion of economic growth within these nations, individually and collectively, and the increase in the assistance to and trade with the developing countries in a way which

Solomon Barkin is Deputy to the Director, Manpower and Social Affairs Directorate and Director of the Social Affairs Division, Organisation for Economic Co-operation and Development, Paris.



Four modern textile factories like this one at Djacovica, Yugoslavia, have been built in recent years. The OECD sent consultants to help with technical and marketing problems.

would be fully in harmony with the basic tests of advanced society—the well-being of the people who constitute the community. The nations involved are: Austria, Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom, and the United States.

A Central Theme

These convictions constitute one central theme in the underlying approach of the OECD Manpower and Social Affairs Committee. Full employment is not only politically desirable but also contributes to a high rate of economic growth. The underutilization or the nonuse of manpower resources results in losses in national productivity and neglect of social investments, never to be regained. Societies affected by underemployment and unemployment are also likely to divert resources to the protection and the maintenance of the idle. The charitable and humanistic proclivities of man become costly and repressive if they are the dead ends of policy rather than the foundation for the reconstruction, rehabilitation, and redevelopment of man into a self-supporting and independent being. They are more likely to inspire conservatism and caution in public policy than to generate creative reconstruction. Growth demands the dynamic unfolding of the total human potential whose fullest employment is essential to the attainment of this goal.

Humanism and humanitarianism have become economic imperatives. The new philosophies and methods of social and even corporate accounting have pinpointed the high returns on investments in improvements in human resources. The bridge between social and economic policy has finally been built. Approved social and ethical values can now be translated into positive economic gains. The next challenge is to incorporate them into the routine operations of the market.

An Ongoing Process

In the new scientific and automated era, the industrial system demands more sophisticated, better prepared and adjusted people. Not only is greater knowledge required on the new jobs, but the stress is now on conceptual rather than manual skills. Equally important in this new era are a readiness and even a willingness of people to adjust to the continually changing job demands and locations. The life span of an increasing number of jobs appears to be of short duration. The new situation demands recurrent adaptation for a broader range of employments. The smooth transfer of people from declining to expanding and from low to high production occupations or areas is critically important in economic growth.

Nor is the worker the only individual affected by change. Employers face new challenges, particularly as competition increases from either domestic or foreign producers of like or alternative products and services. Communities and industries are also seriously buffeted by the variety of economic forces which are radically changing the industrial structure and the economic map.

But the adjustment process is a difficult one. At first man is likely, in self-defense, to seek isolation and protection before he accepts the challenge of meeting the new tests. Moreover, many are ill-prepared by training, experience, or resources for this trial. While these deficiences are most prevalent among employees with lower skills and training, they are not absent among the better prepared or even among employers. To enter upon such a program of adjustment demands determination, patience, information, financial and other resources, and even technical help.

Nor is this need for adjustment limited to those who have been adversely affected. The ILO resolution stressed the desire for a "productive" employment policy so that persons, both employees and employers, were urged to move continuously into more productive or profitable occupations or enterprises. The facilities and programs for adjustment must be available also to those voluntarily advancing to jobs of greater productivity. Their movement to more productive areas before adversity strikes facilitates the total process of adjustment.

Active Manpower Policy

In the manpower field, the OECD Manpower and Social Affairs Committee has promoted a second basic theme, an "active manpower policy."

The word "active" denotes a program of active initiative by society to anticipate changes and to assist individuals, management, and communities in adjustment. The goal is to make it easier to shift people to new jobs where they can be more productive and minimize the traumatic effects of technical and economic change. Furthermore, new policies have to be developed to take account of seasonal and cyclical fluctuations as well as long-term structural trends. Where growth, full employment, economic development, and rising living standards falter, the responsibility of the manpower agencies is to prod, suggest, and act to remove the blocks to growth and if necessary to promote and initiate expansion programs. Job development and creation are complements to adjustments in an active manpower program.

In the framework of a policy to achieve full employment, this program can make substantial contributions to the realization of the goal. First, it assures the maximum free recruitment of people for jobs by assisting in their training or relocation, by providing permanent employment for persons having formerly limited opportunities for employment, and by facilitating the integration of immigrants. Second, it helps to relieve labor bottlenecks in shortage areas, moderating their inflationary pressures, and diverts excess labor from surplus areas, thereby retarding deflationary pressures. Third, it generates new economic growth by the economic multiplier effects of filling specific key vacancies, which stimulates new employment and economic activity. Fourth, it creates a favorable attitude toward and a greater inclination among the work force to acquiesce to change and even a disposition to innovate. Finally, it impels the community to overcome stagnancy and to initiate growth, in order to realize the overall goals.

An active manpower policy is an important adjunct of a program for full employment. By helping to adjust the manpower resources, the level of their utilization is raised beyond the limit which fiscal measures would otherwise achieve. In addition, such a program focuses on the methods of overcoming the obstacles to economic growth.

One of the most promising raw materials in Yugoslavia is lignite. Two OECD mining engineers give technical assistance at this powerplant near Pristina, only a quarter of a mile away from the lignite deposits which provide its fuel.

The increasing attention devoted to the problems of manpower adjustment has made people aware that general economic development or growth policy must be closely linked with specific programs to correct or remove the elements which deter or hamper expansion. These exist in the labor force. But they also will be found in management, where conservatism and resistance to innovation or enterprise may hold up growth; or in communities, where obsolecent facilities, social organization, or attitudes may retard the appearance of modern industry or enterprises, or in industries, where conservatism and resignation may produce contraction rather than economic renascence; or among consumers, who may remain irresponsive to new expenditure patterns and opportunities.

The operation of active manpower programs for adjusting the manpower resources to the structural, cyclical, and seasonal changes in employment has made it evident that a full program of economic growth cannot be limited to fiscal programs. It must also include a whole series of specific efforts to remove specific obstacles to growth and to redevelop the human and physical resources better to advance economic development.

This broader concept of economic policy for growth and stability is particularly germane to the current challenges facing the advanced countries. Economic expansion in the early postwar period in the United States and until recently in Europe was achieved through the simple addition of productive capacity. More and more factories or services were created. The demand seemed endless. But in the United States and now in Europe, socalled "saturation" points are being or have been reached in individual sectors. Specific expansion programs have been cut back or eliminated. Competition has reduced profit margins or in some instances even resulted in shutdowns. Substitutions are endangering older products and industries.

Economic growth will no longer occur through one-way expansion; it will be the product of the upswing of some sectors and cutbacks in others. The quicker the adjustment process, the faster the removal of the obstacles to reorganization and readaptation, the more continuous and

the less impaired will be growth itself.

Areas of Investigation

Studies either by consultants or the Secretariat or comparative national reports provide the Committee with a basis for the formulation of policy or for dissemination of summaries of practices for guidance of member countries. Current areas of investigation are:

- Programs and methods of administration of active manpower policies in the member countries,
- Techniques for assisting people willing to move to new locations,
- Practices and programs of adjustment of rural migrants and immigrants to industry, programs for redevelopment of industrially depressed areas,
- Occupational training programs for adults,
- Placement techniques, retraining methods and procedures for redesign of jobs for older workers,
- Working schedules and special facilities for part-time housewives, procedures for the successful introduction of technical changes,
- Methods of programing technical changes and resulting manpower adjustments,
- Trade union programs for promoting technical innovation,
- The economics of the total and specific parts of an active manpower policy.

The results of these studies are analyzed directly by the Committee or assigned to working parties who formulate recommendations to the Committee. Ultimately, they may provide the basis for policy statements by the Committee to be submitted for consideration and approved by the OECD Council.

Advisory Assistance

In the preparation of these recommendations, the Committee has the benefit of the advice and experience of the employers and trade unions of these countries. The two groups are organized into advisory committees which meet with the officers and Secretariat for discussion of programs and substantive issues. Moreover, seminars and international and national missions have been used to familiarize the leaders of these groups with the problems under consideration and enable them to submit their experience and views to the Committee. The Committee publications include reports on the conferences and studies by experts which provide a further means for the broad dissemination of knowledge and Committee policies and programs. Ultimately, the policy recommendations will define the standards of action for countries.

OECD provides a forum for the debate and consideration of the experience of the respective member countries and for appraisal of their methods for meeting their economic and social problems. The exchange of national views may produce a consensus in harmony with the fundamental objectives of the organization. It is not a supernational organization: it is a seat for promoting understanding and knowledge of the respective national policies and experience and joint progressive action for attaining the OECD goals.

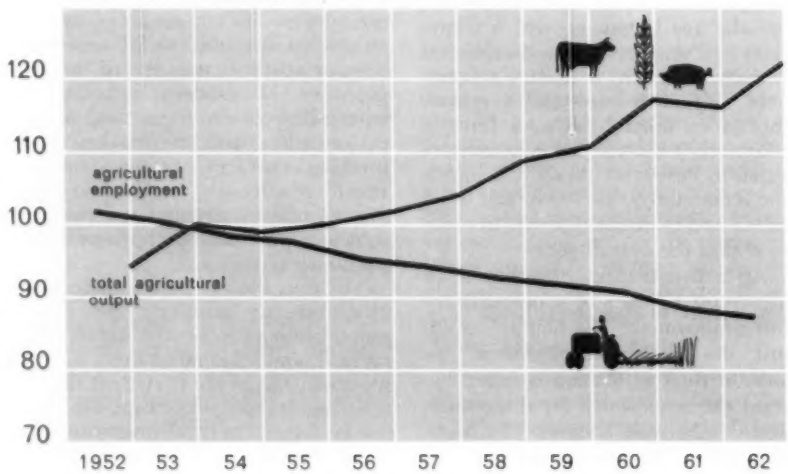
U.S. Participation

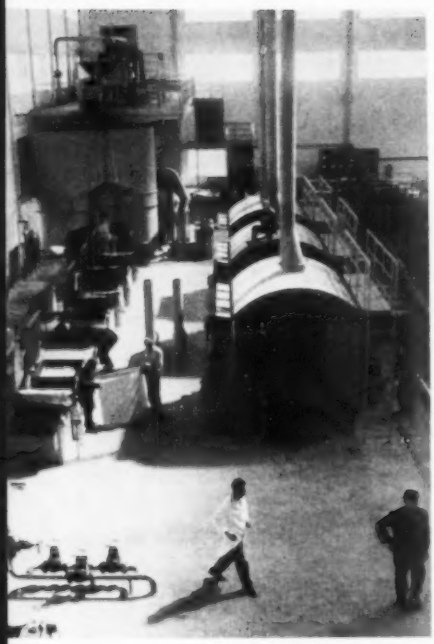
The United States, as one of the advanced industrial countries, has a particularly significant contribution to make and much benefit to draw from the participation in the analysis of common problems and the interchange of experience among the member countries of the OECD in the field of manpower and social policy. As the most advanced technological state, current innovations in this country represent the forerunners of the developments in other countries. The profiles of the oncoming industrial and job patterns are being designed to a substantial degree in this country. Their transfer and adaptation for use in other countries can be facilitated by the latters' knowledge of their actual appearance and the operating problems in the United States.

As the initiator and extensive user of many of the newer technologies and systems of management, this country pays the special price of the innovator, and serves as the laboratory for the appraisal of the manpower and social implications of these

Agricultural employment and total agricultural output

OECD European countries





The OECD has assisted with the supply problems of this modern sugar beet refinery in Yugoslavia.

changes. Fortunately, this country is keenly aware of the need to keep abreast with and study these new developments. The Federal Government, research foundations, and individual scholars are each contributing towards reporting on the process, its consequences, and the adjustments being made to these changes. No other country can boast of as formidable an array of concurrent studies designed to examine the changing industrial world for its meaning and implications. The results have given us not only more understanding but also a pattern of analysis for other countries and international agencies permitting more deliberate policy formulation and decisionmaking in the light of these changes.

The United States has also much to benefit from the interchange of experience. The peoples of other countries are also making technical and managerial advances. Information about these advances is being offered to the United States. Similarly in the field of manpower and social policy there is much to examine and learn from the experience of other nations. Their more compact economies and organization and homogeneous societies often permit more precise definitions of problems and the fashioning of specific administrative instruments for meeting particular problems in concrete individual environments. They, in their turn, provide a laboratory for programs and ideas which can be profitably examined by this country.

Common Problems

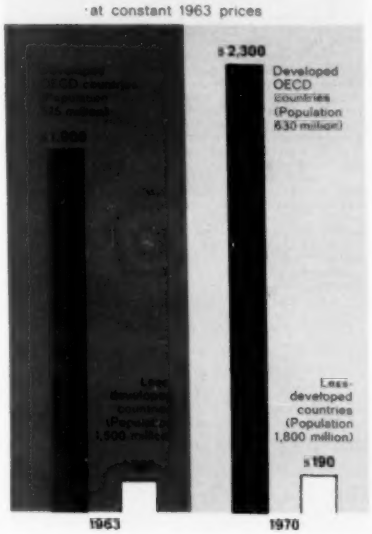
The advanced industrial nations are all facing problems comparable to those confronting the United States. They, too, have to examine the methods of maintaining full employment, the shift of people from less to more productive employments, the alterations in employment structures, the decline of older industrial areas, the strains on their industrial relations systems, and the adjustment of individuals and groups to the strikingly new environments as they move from one region of a country to another.

They are forging new tools and concepts. Active job market policies are now being deliberately developed by several nations. Formal retraining programs have been fashioned for adults. Redundancy benefit systems are being formulated. Regional and area redevelopment are pursued in several countries. Aids are being given to people to facilitate geographical mobility. Central economic programing agencies have in several instances close relations with the manpower authorities and share a common pool of information for joint decisions. Educational systems are being re-examined in the light of the changing economic environment. The methods of recruiting and employing the disadvantaged groups in the working population have become highly systematic and provide patterns for the others to follow.

The OECD Manpower and Social Affairs Committee is composed of representatives of the 21 member countries, mainly recruited from the Ministries of Labor. It constitutes an assembly for the consideration of policies and practices in the fields of manpower and allied social affairs—those pursued both by the governments and the private sectors—for the advance of economic growth and the improvement of the well-being of the people. It is composed of the most advanced industrial states of the free world; it can consider methods and programs particularly appropriate for realizing the "Full, Productive, and Freely Chosen Employment" policy in these states. Including as it also does the representatives of developing countries and preoccupied as the OECD is with the promotion of trade and aid to all economically less advanced nations, methods of assisting these countries are always pre-eminent in the discussions and the operational programs.

The OECD gains its strength from its concentrated preoccupation with a limited range of international prob-

Projected Growth of Real Product
per capita 1963-1970
at constant 1963 prices



Sources and method used for the 1970 projection.

1963: National publications, UN statistics, and Secretariat estimates. Current exchange rates were used in order to obtain figures expressed in dollars.

1970: Straightline projections based on past development and on informed judgments concerning the future.

The figures should be viewed as indicating only trends.

Japan, which was not yet a member of OECD in 1963, has nevertheless been included in "Developed OECD Countries."

lems. It is not a supranational state. Rather it seeks to help nations reach a consensus on issues of common concern and experience to aid each country individually to achieve the agreed goals.

The approach is to create an increasingly common international culture and body of knowledge, together with attitudes and objectives which serve each separately and yet help to band all together. The Manpower and Social Affairs Committee, like the other OECD committees, advances toward this end by selecting for consideration problems of greatest relevance to the OECD's goals of realizing the 50 percent growth target and raising living standards. It accepts the need for expansionary fiscal policies where growth is limited and unemployment high; adjustment programs for manpower, management, industry, and community to help adapt to the changing economic structure and to prevent inflationary developments in high employment states; investment programs to improve the quality of the human resources; and development plans which help remove the obstacles to, or stimulate human creativeness and innovation for, growth.

The issues examined by the Committee are carefully defined, the national experience and thought are assembled, the obstacles to realization are identified, the views of labor and management are canvassed and considered; then follows the truly creative process of shaping the consensus. Having considered these issues in the full light of public discussion and review, and after wide dissemination of the facts and experience, the Committee's findings and recommendations can, it is hoped, be pursued constructively by the member countries.

The OECD is a new forum to promote the common goals of the free world. Its limited membership and areas of interest and the intimate relationship of the member countries promise to hasten the maturing of a common culture and program.

The Manpower and Social Affairs Committee, as one agency, contributes to this process by helping each member country achieve the economic and human objectives set forth in the basic conventions, which are essentially like those of the ILO—the attainment through effective manpower and human social policies of a full, productive, and freely chosen employment economy.

Manpower Planning

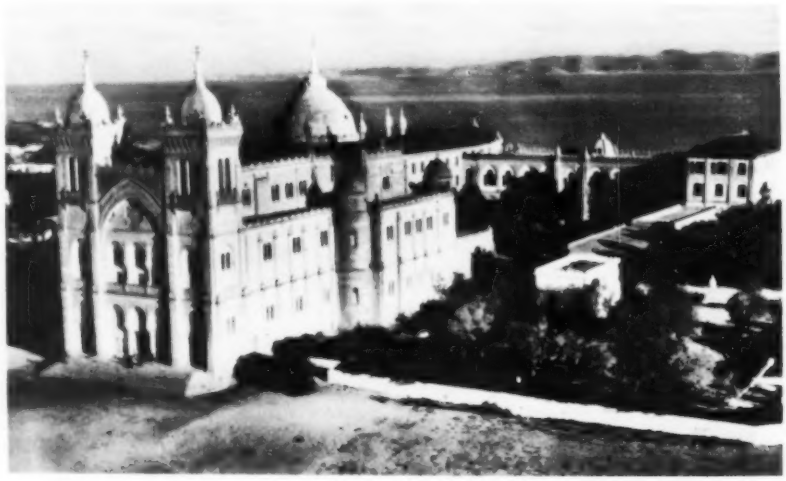
(*Continued from page 4*)

mined to a large degree by the extent to which other manpower services are being provided, including manpower information, counseling and guidance, occupational testing, and related activities. The need for a coordinated approach to manpower is equally great at the local and the central government level. The pattern set by the central government will undoubtedly determine the pattern of coordination established regionally and locally.

In the final analysis, government institutions and organizations concerned with manpower resource problems and the provision of manpower services can be effective only insofar as employer and labor and other groups participate and cooperate with them. Even where laws exist requiring the use of manpower service offices, only a *pro forma* gesture will be made toward such use if there is not appreciation of a need for the service and the contribution which it makes. It is important, therefore, that local manpower service be widely known in the local community, that it be a center to which people can turn for authoritative and expert advice, information, and assistance in the manpower field. This manpower service center may not be able itself to provide all of the services which an individual may require. For example, the manpower service center would not be engaged in providing health services or education or training. Nevertheless, it should have the capabilities of diagnosing the nature of the manpower problem confronting an individual and determining the type of service which he requires and then assuring by referral as necessary that this service is provided.

The role of manpower in the economic life of a nation is basic and fundamental. The manpower principles and manpower objectives are generally similar insofar as economic growth and expansion are concerned in all societies. The degree to which these may be achieved, the manner of implementation, the structure and arrangement of government resources to be devoted to manpower services will differ among nations depending on the extent of their advancement, their culture, and the tools and techniques which they have devised and understand how to use. In any developing country, no matter what the level or the state of its industrial arts or its manpower skill achievements, there should always be the recognition that manpower may hold the key to the economic future of the nation.

A basilica in Carthage.



Manufacture of packing machines.

WEST GERMANY

(*Continued from page 45*)

Thus, the number of workers on unemployment relief projects in 1955 averaged about 61,000. Since then, the number has steadily declined, and in 1963 averaged only 4,000. Recently the unemployment relief projects have served mainly to provide work for older unemployed persons in Berlin, especially salaried workers, who were still numerous in comparison with other districts. Whether this instrument of manpower policy will again acquire major importance in the future—either in connection with an economic depression or because of the effects of technological evolution—cannot be foreseen. If such should be the case, advance planning will prove advisable.

In this condensed account, the varied functions of the Federal Institute have of necessity been treated too briefly. One thing, however, is clear—the functions of a manpower agency, regardless of which country it is serving, are always changing and must be adjusted to current national conditions.

Employment Service Participation in the Hiring Process

The U.S. Employment Service operates through 54 affiliated State employment services—covering each of the 50 States plus the District of Columbia, Puerto Rico, Guam, and the Virgin Islands—and a network of over 1,900 local employment offices serving each of the country's more significant employment centers. The primary focus of its operations—and the bulk of its staff and resources—are at the State and local level. Although the administrative expenses of these State agencies are paid for by the Federal Government, employees of these agencies are State employees, with their salaries and working conditions fixed by the State.

In calendar year 1964, the public Employment Service received some 8.2 million nonfarm job openings from over 1 million employers—a total which, on the basis of the best available estimates, represents nearly one-fourth of all new hires for the country as a whole during the year. About 6.3 million of these openings—about 16 percent of all new hires—were filled by workers placed by the Employment Service.

To obtain these job orders, each public employment office has a small staff of employer relations representatives who visit employers periodically to discuss their labor requirements and to offer assistance in filling their vacant jobs. The listing of job openings with the public Employment Service in this country is completely voluntary. Employers here are free to choose to use the Employment Service or any other channel they wish—to obtain the workers they need.

The nature of the facilities available and the services offered by the public employment offices help induce many employers to list their openings with the Employment Service. Among the influential factors are: The wide range of skills normally represented by job applicants at the local public employment offices, the prescreening and testing of job applicants by the Employment Service before referral, and the availability of interarea recruitment services to locate workers with skills which are in short supply locally.

About 10.8 million new applications for employment were filed with the public employment system during calendar year 1964. This total represents close to three-fourths of the individuals who were unemployed at any time during the year. The local public employment offices gave approximately 2.3 million aptitude and proficiency tests to help evaluate individual qualifications for available jobs. Over 155,000 job openings were filled through interarea recruitment last year. This program is being expanded through the use of modern telecommunication equipment linking offices in various States.

About half of the openings listed for interarea recruitment were in professional job classifications. A nation-spanning professional office network of 118 specially designated offices speeds the recruitment and placement of scarce professional personnel. The public Employment Service made over a quarter of a million professional placements in 1964.

Many Jobs Hard To Fill

About 250,000 job openings are listed as unfilled at the end of each month by public employment offices. To determine what kind of jobs remain unfilled, and why, the USES conducted a special survey as of July 1964. The survey revealed that of the jobs unfilled at the end of the month, about half—or 123,500—had been unfilled for 15 days or longer. This represented slightly less than 16 percent of the total of 793,600 job openings available in July.

Although it is not unusual for jobs requiring greater skill and education, such as those in professional occupations, to take up to a month to fill, there is ample evidence that the jobs remaining unfilled for 15 days or more were also hard to fill.

About 70 percent of the jobs unfilled for 15 days or more were in occupations requiring special training, education, and skills. These openings were principally in professional, technical, and managerial occupations (30 percent); clerical and sales (24 percent); and skilled occupations (16 percent). Only 3 percent of the unfilled jobs open for 15 days or more were in the unskilled occupations.

Lack of Qualified Applicants for Openings in 1964

VINCENT F. GEGAN

The more than 1,900 local offices of the Employment Service made 6,281,400 nonfarm placements in calendar year 1964, about 4.6 percent fewer than in the preceding year. Eleven States, however, showed over-the-year gains, including such large States as Indiana, Michigan, New Jersey, Pennsylvania, and Texas. Furthermore, youth placements, at 1,563,400 in 1964, rose 16,000, or 1 percent, from the previous year, with placements of male youths increasing 5.1 percent from 1963.

Smaller staffs in local offices compared with the preceding year, coupled with increased workloads resulting from new programs and lack of qualified applicants for the more highly skilled openings received in local offices, adversely affected regular ES operations. For example, job openings received in local offices totaled 8.2 million in 1964, just slightly below 1963. However, openings unfilled moved upward during most of 1964, not only in volume but, more important, as a proportion of available openings. Cancellations of job openings also increased. Largely responsible for the drop in placements and the rise in unfilled openings and cancellations was a lack of qualified applicants for many of the available professional, clerical, and skilled job openings. According to a special survey conducted earlier in the year, more than half of all openings pending for 15 days or longer and two-thirds of the professional job openings at the end of July were unfilled because of lack of qualified applicants. This lack of qualified applicants to meet the ever rising demand for more highly educated and trained personnel was felt throughout the country.

Vincent F. Gegan is in the Branch of Operations Research, U.S. Employment Service.

Among broad occupational groups, professional placements, at 250,700 in 1964, were only a few hundred below the 1963 level. Declines in the other occupations ranged from 2.7 percent in semiskilled to 9.4 percent in skilled. Among industry divisions, placements in durable manufactures (652,100) and in government (217,800) both reflected about a 1 percent increase over the year. But, placements declined in other industries during this period, varying from 1.6 percent in public utilities to 7.8 percent in nondurable manufactures.

In the 55 major Standard Metropolitan Statistical Areas (SMSA's) nonfarm placements—nearly 3.1 million in 1964—were 3.8 percent below a year ago and smaller than the 4.6 percent drop nationally. Among occupational groups, professional placements increased 4.3 percent from 1963 to 184,900, compared with a slight decline for the Nation as a whole. Furthermore, compared with 71 percent in 1963, 74 percent of all ES placements in professional jobs in 1964 were made in the 55 major areas. Among industry divisions, the 99,100 placements in government reflected an 18.3 percent over-the-year gain, far in excess of the 1 percent increase nationally. In the other occupational groups and industry divisions, the placement declines were smaller than those nationally.

Farm Placements Drop

Farm placements totaled 6,451,300 in 1964, dropping 10.9 percent from

Nonfarm Placements in the United States[1] and in 55 Largest Metropolitan Areas by Occupation and Industry, December 1964

Occupation and industry	Placements				Percent distribution	
	Total United States	Percent change from year ago	Total 55 areas	Percent change from year ago	Total United States	55 areas
Total[2]	432,900	+0.2	230,900	+2.8	100.0	100.0
Occupation:						
Professional and managerial	18,600	+5.7	15,000	+11.5	4.3	6.5
Clerical and sales	83,200	−4.6	45,500	+1.4	19.2	19.7
Service	143,500	+0.5	83,500	+2.8	33.1	36.2
Skilled	20,600	−6.9	10,100	−6.3	4.8	4.4
Semiskilled	53,400	+6.2	25,700	+8.0	12.3	11.1
Unskilled and other	113,600	+1.2	51,200	+1.0	26.3	22.1
Industry:						
Construction	24,600	+2.2	8,000	+1.5	5.7	3.4
Manufacturing	79,800	+6.4	38,400	+10.6	18.4	16.6
Durable goods	38,300	+6.8	19,400	+9.3	8.9	8.4
Nondurable goods	41,500	+6.0	19,000	+12.0	9.6	8.2
Public utilities	16,700	−1.0	7,100	−0.8	3.9	3.1
Trade	118,200	−3.2	62,400	−0.2	27.3	27.0
Services	166,700	+0.2	102,400	+2.5	38.5	44.3
Nonhousehold	70,400	+1.7	45,500	+2.1	16.3	19.7
Household	96,300	−0.9	56,900	+2.9	22.2	24.6
Government	17,000	−3.9	8,600	+0.4	3.9	3.7
Other	9,900	−0.8	4,100	−0.4	2.3	1.8

[1] Includes Puerto Rico, Guam, and the Virgin Islands.
[2] Items may not add to total due to rounding.

Source: U.S. Employment Service, based on data from affiliated State Employment Services.

Nonfarm Placements in the United States[1] and 55 Largest Metropolitan Areas by Occupation and Industry, Calendar Year 1964

Occupation and industry	Placements				Percent distribution	
	Total United States	Percent change from 1963	Total 55 areas	Percent change from 1963	Total United States	55 areas
Total[2]	6,281,400	−4.6	3,099,300	−3.8	100.0	100.0
Occupation:						
Professional and managerial	250,700	−0.3	184,900	+4.3	4.0	6.0
Clerical and sales	971,800	−4.7	520,400	−2.1	15.5	16.8
Service	2,055,800	−3.9	1,112,000	−3.1	32.7	35.9
Skilled	334,900	−9.4	160,600	−6.7	5.3	5.2
Semiskilled	852,200	−2.7	380,000	−2.2	13.6	12.2
Unskilled and other	1,816,000	−5.6	741,400	−7.9	28.9	23.9
Industry:						
Construction	443,800	−3.5	141,500	−1.8	7.1	4.6
Manufacturing	1,370,800	−3.8	620,900	−1.8	21.8	20.0
Durable	652,100	+1.0	320,000	+0.4	10.4	10.3
Nondurable	718,600	−7.8	300,900	−3.9	11.4	9.7
Public utilities	224,300	−1.6	88,800	−6.1	3.6	2.9
Trade	1,466,700	−5.1	719,000	−3.5	23.3	23.2
Service	2,408,800	−5.4	1,363,700	−6.0	38.3	44.0
Nonhousehold	1,075,900	−6.5	626,700	−8.3	17.1	20.2
Household	1,332,900	−4.4	737,000	−4.1	21.2	23.8
Government	217,800	+0.9	99,100	+18.3	3.5	3.2
Other	149,400	−7.6	66,300	−6.8	2.4	2.1

[1] Includes Puerto Rico, Guam, and the Virgin Islands.
[2] Items may not add to total due to rounding.

Source: U.S. Employment Service, based on data from affiliated State Employment Services.

the preceding year and down for the fifth consecutive year. Farm employment has also shown a downward trend for a number of years. Chief reasons for these declines have been increased mechanization in cultivation and harvesting and more intensive use of chemicals in crop cultivation.

New Job Applications Also Decline

In 1964, some 10,754,300 individuals filed job applications in Employment Service local offices, 226,000 fewer than in 1963. In both years, new applicants in local offices were equivalent to about three-fourths of all persons who experienced unemployment sometime during the year. At 3,725,600, youths constituted more than a third of the total applicants, up 6.2 percent from the previous year. However, the number of inexperienced jobseekers (predominantly youth) among the unemployed increased only slightly between 1963 and 1964 (0.6 percent), as reported in the MONTHLY REPORT OF THE LABOR FORCE. New job applications filed at local offices by the two other major age groups (ages 22–44, and 45 and over) both declined from 1963 as did their numbers among the unemployed.

Counseling and Testing

Some 1,195,000 individuals were given 2,003,100 counseling interviews in 1964—about 16,400 fewer individuals and 70,200 fewer interviews than in the preceding year. Youths under age 22 counseled in 1964 totaled 703,000, some 8,000 more than in the previous year. As would be expected because of their relative work inexperience, youths constituted about three-fifths of all counselees. One out of every 5 received job counseling compared with one out of 11 of total applicants. Reflecting the growth of the manpower training programs, trainees counseled under the MDTA and ARA programs nearly doubled between 1963 and 1964 to 151,200, or nearly 13 percent of all counselees.

Tests given to individuals totaled 2,339,000 in 1964, slightly lower than the year-earlier volume. Specific aptitude tests (measuring potential skills in specific occupations) were given to 947,800 persons, up 15,000 from the year before. General aptitude tests (measuring potential skills in broad occupational groups) were administered to 759,800 persons, down 7,600 over the year, primarily reflecting activity of the cooperative high school program. Proficiency tests (measuring skill acquired in an occupation) were given to 631,400 individuals, some 25,800 fewer than in 1963. The testing in local offices of trainees under the MDTA and ARA programs assumed increasing importance in 1964, up 29,300 from 1963 and accounted for 210,200 or nearly 9 percent, of all persons tested.

December Placements Up From Year Ago

December nonfarm placements, at 432,900, were slightly higher than the year-ago volume, the second successive month since October 1963 that year-ago levels were exceeded. Among youths under age 22, however, placements rose 6.8 percent from December 1963 to 102,700, while among young men the 56,600 placements were an increase of 10.9 percent. Among gains in most occupations, the largest were 6.2 percent in the semiskilled category to a total of 53,400, and 5.7 percent in the professional group to a total of 18,600. Several over-the-year gains were also posted among industry divisions, the largest in manufacturing—6.4 percent to a December total of 79,800. Compared with November 1964, placements were down a somewhat more than seasonal 14.8 percent, with declines larger than usual in all occupations except semiskilled and in all major industry divisions except services. In the 55 major SMSA's, December placements totaled 230,900, down 10.3 percent from the previous month, but 2.8 percent higher than a year ago.

STATISTICS

Table 1.—Selected Local Office Employment Service Activities, January–December 1964

Table 2.—Nonagricultural Placements, by Special Applicant Groups, January–December 1964

Table 3.—Nonagricultural Jlacements, by Industry Division, January–December 1964

Table 5—Status of MDTA Institutional and ARA Training Programs Through December 1964

More detailed data are provided monthly in EMPLOYMENT SERVICE STATISTICS, available on request to the U.S. Employment Service, Bureau of Employment Security, Washington, D.C., 20210.

Table 1.—Selected Local Office Employment Services Activities, December 1964

State	Nonfarm Job Openings		Nonfarm Employer Contacts				New Applications 2/		Counseling Interviews		Placements			
												Nonagricultural		
	Total available openings 1/	Percentage change from year ago	Employer visits	Percentage change from year ago 3/	Promotional telephone contacts	Percentage change from year ago 3/	Total	Percentage change from year ago	Total	Percentage change from year ago	Total agricultural	Total	Percentage change from year ago	Short-time
Total	8358935	0.7	1188611	-17.7	1691785	-19.8	1075428 8	-2.1	2003099	-3.4	5451279	6281381	-4.6	2038120
Alabama	151318	.9	26530	-15.8	8897	-13.3	144732	-1.7	17844	-10.9	62047	118666	-2.3	36680
Alaska	17997	32.9	3094	-19.2	3695	-10.5	19298	7.4	3304	4.2	490	12815	27.8	2944
Arizona	124811	-6.6	17043	-9.6	36586	-12.7	130325	2.5	21051	36.0	88384 1	100691	-12.5	27841
Arkansas	125877	6.9	14147	-19.4	14600	7.3	150901	-2.2	27548	5	138972	115407	7.0	43700
California	1002262	-6.4	153460	-8.0	86093	-18.7	1560908	3.2	192513	-4.2	250651	701291	-10.6	282345
Colorado	107737	-5.3	14926	-9.3	24949	-18.9	132178	1.4	19950	-3.7	53235	89766	-3.8	37358
Connecticut	126488	-3.8	10660	-3.6	654	-20.0	18728	.4	6790	6.0.0	10423	83534	-14.9	19577
Delaware	11518	8.1	2470	-33.2	17312	-29.5	67606	-4.1	26660	31.9	4443	7028	-1.0	1010
Dist. of Col.	67120	-4.9	7603	-19.3	8884	-43.5	226663	-4.4	32386	5.5	0	45829	-3.8	16188
Florida	324350	(4/)	33665	-24.5	6812	-46.9	191413	-4.7	31549	-3.8	166526	245623	-6.8	55213
Georgia	200151	4.8	13572	-34.9	106	—	1927	25.1	38	(5/)	35957	157683	-2.3	25706
Guam	10624	-.3	51	—	863	-31.5	38524	-8.8	4886	-8.5	0	608	-44.4	0
Hawaii	19853	-1.6	1779	-60.7							1798	11990	-14.1	714
Idaho	41221	-6.2	9364	2.8	1561	-27.2	53511	1.8	9249	-11.1	129523	34504	-11.6	11335
Illinois	270508	-.7	40090	-1.8	22220.2	-23.4	380679	-10.9	84204	-5.2	49171	191778	-10.1	51153
Indiana	163341	11.4	30795	-35.1	24251	-31.9	257339	-3.1	34908	.6	32854	115185	6.5	21876
Iowa	103342	-1.6	27504	.9	45444	-6.4	105882	6.3	18522	-7.9	32447	83741	-5.5	28917
Kansas	103739	-3.3	20861	-11.0	18823	-12.2	153438	1.8	35292	-9.0	18752	75900	-12.5	31117
Kentucky	74513	-4.9	6215	-54.9	7698	-67.7	114628	-9.0	19256	-10.9	65644	56317	-16.1	12122
Louisiana	113422	6.2	13024	-33.9	13016	-41.8	150615	7.1	15351	15.9	49119	88764	-.2	31492
Maine	45570	-1.0	5609	-17.6	4173	-35.8	54536	-5.6	28295	4.6	5526	22641	-10.1	1776
Maryland	108312	-1.5	17566	-17.4	23687	-25.0	326357	-1.7	71907	14.7	122871	88562	-.8	14763
Massachusetts	228315	7.0	44652	1.1.1	123831	-11.9	565118	-3.2	62554	-13.4	35866	153414	-8.8	29255
Michigan	247367	11.1	18178	-39.2	46639	-25.5	182035	-4.0	23402	-8.3	85435	191652	6.6	52860
Minnesota	119293	-.4	25335	-.16	29852	1.8.7					17825	87170	-9.7	24787
Mississippi	128176	-2.1	20986	-16.3	19839	-19.0	139607	-.8	40001	2.9	107188 8	101217	-8.3	24559
Missouri	143009	4.4	29046	.4	13299	-32.6	226388	-3.3	44603	4.0	135852	99741	-3.9	28899
Montana	39175	.7	17973	-11.6	14910	-33.1	48945	-6.4	16623	-14.4	33358	38215	-2.7	8745
Nebraska	60922	-11.6	18188	-39.5	16478	-55.5	55992	-3.9	15771	-18.8	21770	51087	-17.3	21867
Nevada	38471	-14.2	7354	15.4	2283	-25.9	45769	3.6	7074	33.6	7565	29922	-16.2	11939
New Hampshire	24466	-4.3	3569	-30.0	2962	-30.9	40979	-6.2	7434	-14.3	1668	14798	-11.7	669
New Jersey	217380	6.5	33407	24.6	55212	-7.3	329103	-3.8	45976	1.0	122722	150013	.5.9	40477
New Mexico	45858	-11.5	9331	-15.9	5781	-2.3	62066	4.1	13485	5.9	11945	39412	-15.8	19411
New York	1076482	-1.2	92367	-14.9	387464	-14.6	926332	-.5	236858	7.0	131657	826204	-1.4	362465
North Carolina	181295	-6.4	17777	-25.8	23646	-20.9	250107	1.1	38594	-12.7	44577 8	130248	-13.8	15479
North Dakota	37167	2.5	4680	-33.7	4729	-25.4	38104	7.9	6212	7.8	15852	28244	-5.0	8959
Ohio	290025	-1.8	25942	-53.1	37865	-46.8	526693	-8.7	72663	-31.1	161365	216644	-7.0	92011
Oklahoma	192876	2.8	27056	-31.5	10850	-24.4	139013	.9	36280	4.5	111973	170900	3.6	101980
Oregon	86474	-6.6	22191	-9.1	23357	-19.5	145743	9.4	36844	8.0	309978	66431	-13.7	18169
Pennsylvania	340154	4.8	79303	-26.1	100880	-18.5	556845	-3.6	163373	-9.3	327873	263996	1.6	75830
Puerto Rico	57373	4.4	7678	-32.4	7895	-28.1	165910	-11.2	29254	-8.1	8733	50523	4.8	3618
Rhode Island	39720	-8.2	11683	-15.2	23422	-11.9	53086	1.0	14096	9.5	89	28206	-13.4	4962
South Carolina	93720	-12.1	7412	-39.2	4061	-11.2	111361	6.7	16186	25.7	71121	69767	-18.4	13616
South Dakota	31103	-8.5	5998	.7.5	2186	.5.1	30175	-2.3	6299	-21.8	10762	22036	-12.9	10073
Tennessee	142405	-8.9	17492	-12.3	8829	-31.6	145457	-6.5	23296	-20.1	527971	114137	-3.5	21508
Texas	638517	10.9	90998	-7.7	68301	-8.8	691753	-1.7	124463	-5.9	354830	535141	13.7	201904
Utah	45096	-18.9	10776	-21.1	7879	10.5	55014	-6.9	15131	.9	23950	36886	-21.2	10539
Vermont	20280	-6.6	1814	-43.4	745	5.8	21840	-.6	3126	27.5	898	12854	-18.5	1678
Virginia	163942	7.5	12848	-9.0	9954	-23.7	144594	-4.7	42396	-.3	54970	109370	1.9	23201
Virgin Islands	20814	23.6	407	4.6	644	15.2	3227	4.8.3	725	-34.3	5	1490	22.2	4
Washington	114292	-2.9	21272	-17.6	23369	-13.6	194632	-2.8	37663	-6.4	195556	81924	-5.5	31521
West Virginia	34615	-30.2	6116	-34.7	8647	-23.8	78362	-.3	22578	-7.2	5321	28886	-36.8	8288
Wisconsin	186205	-2.3	21242	-34.2	12611	-47.8	185236	-7.8	40256	-17.1	24308	73748	-27.5	9347
Wyoming	19898	-.7	5512	-14.8	4016	-8.9	19765	-10.1	3624	-8.2	8105	14782	-5.6	5673

1/ Openings on hand at the beginning of month plus openings received during the month.
2/ Should not be interpreted as a measure of the total number of new job applicants at Employment Service offices, since there are some types of applicants for whom written applications are not taken.
3/ Not computed if State volume for either period was under 50.
4/ Increase of less than 0.05 percent.
5/ Increase of more than 1,000 percent.

Table 2.—Nonagricultural Placements, by Special Applicant Groups, December 1964

State	Total	Women	Persons under 22 years	Persons 45 years and over	Veterans 1/	Handicapped
Total	628,138	265,076	156,398	126,226	97,609	27,288
Alabama	11,866	4,928	2,238	1,780	1,246	246
Alaska	1,281	488	362	188	112	34
Arizona	10,069	4,357	2,286	1,709	1,700	473
Arkansas	11,540	4,029	3,545	2,103	1,674	635
California	70,129	30,451	22,266	14,194	12,401	1,807
Colorado	8,976	2,483	2,480	1,488	2,128	303
Connecticut	8,353	3,571	2,436	1,516	1,121	496
Delaware	702	313	116	118	93	14
Dist. of Col.	4,582	2,430	842	613	1,370	0
Florida	24,562	11,041	5,412	7,701	6,964	228
Georgia	15,768	6,378	3,603	2,153	1,781	447
Guam	60	44	22	36	28	0
Hawaii	1,199	512	397	139	136	68
Idaho	3,450	1,321	1,211	633	565	130
Illinois	19,178	6,382	4,467	3,258	4,224	695
Indiana	11,518	4,625	3,610	1,759	1,621	505
Iowa	8,374	2,638	2,784	1,596	1,787	547
Kansas	7,590	2,400	2,039	1,596	1,504	367
Kentucky	5,631	2,128	1,580	1,604	1,512	274
Louisiana	8,876	3,240	2,260	967	1,363	200
Maine	2,264	921	821	656	837	295
Maryland	8,856	4,191	1,912	1,756	1,206	157
Massachusetts	15,341	7,603	3,792	1,756	1,406	157
Michigan	19,165	6,257	5,170	3,257	3,184	1,159
Minnesota	8,717	3,272	2,829	1,810	1,923	502
Mississippi	10,121	4,466	2,862	1,464	959	285
Missouri	9,974	3,553	2,968	1,683	1,676	440
Montana	3,221	1,010	979	553	685	167
Nebraska	5,108	1,176	1,429	1,162	1,384	538
Nevada	2,992	1,260	485	799	734	83
New Hampshire	1,479	682	432	257	190	81
New Jersey	15,013	8,514	3,370	2,962	2,581	484
New Mexico	3,941	1,269	777	684	1,176	171
New York	82,620	48,340	12,864	24,151	9,118	4,121
North Carolina	13,024	6,046	3,660	1,581	1,453	491
North Dakota	2,824	941	1,072	402	423	174
Ohio	21,664	6,783	4,986	3,233	3,237	1,747
Oklahoma	17,090	4,453	3,083	4,607	4,566	1,046
Oregon	6,643	2,356	2,132	1,249	1,272	304
Pennsylvania	26,399	12,158	6,958	5,754	3,348	2,062
Puerto Rico	5,052	1,738	1,052	597	223	79
Rhode Island	2,820	1,442	961	558	276	181
South Carolina	6,976	3,434	1,862	1,117	1,170	208
South Dakota	2,203	583	641	446	549	99
Tennessee	11,413	5,127	3,089	1,557	1,577	424
Texas	53,514	19,703	10,465	11,474	9,468	2,721
Utah	3,688	1,380	823	623	826	221
Vermont	1,285	482	440	192	154	54
Virginia	10,937	4,678	2,732	1,532	1,938	301
Virgin Islands	149	86	46	15	23	9
Washington	8,192	2,426	2,157	1,608	1,704	375
West Virginia	2,888	1,395	779	561	381	120
Wisconsin	7,374	3,201	2,765	1,174	886	347
Wyoming	1,478	394	418	283	355	58

1/ Includes veterans of all wars.

Table 3.—Nonagricultural Placements, by Industry Division, December 1964

State	Industry division						
	Total	Construction	Manufacturing	Wholesale and retail trade	Service		All other 1/
					Total	Domestic	
Total	6281381	443751	1,370,762	1466667	2408780	1332914	591421
Alabama	118666	14432	22296	27096	43177	29276	6665
Alaska	12815	755	2071	1627	3240	1702	5122
Arizona	100691	6025	9732	27036	46806	26056	11092
Arkansas	115407	13291	26635	27065	36591	22002	9824
California	701291	20527	110236	163683	331515	168429	75330
Colorado	89766	8753	10494	26300	28646	13329	15575
Connecticut	83534	5027	23960	21751	27196	15512	5600
Delaware	7028	616	2578	1289	2154	1372	391
Dist. of Col.	45829	1242	797	10404	24376	17579	9020
Florida	245623	28787	29809	64220	101257	55360	21550
Georgia	157683	22454	38682	37378	50737	35565	8432
Guam	608	412	71	28	19	3	78
Hawaii	11990	2581	2143	2918	2898	715	1450
Idaho	34504	2129	6490	9211	12450	8253	4224
Illinois	191778	4162	62104	49532	60428	19574	15552
Indiana	115185	5400	39208	29579	32957	18158	8041
Iowa	83741	8109	18206	24860	22094	8861	10472
Kansas	75900	9298	11396	18403	23888	14173	12915
Kentucky	56317	3401	13834	12326	18351	9136	8405
Louisiana	86764	10152	10046	26605	32048	18817	9913
Maine	22641	3153	8874	4576	4692	1507	1346
Maryland	88562	10988	24154	15687	32564	19909	5169
Massachusetts	153414	6901	48773	34806	54009	14442	8183
Michigan	191652	9223	61354	45874	64395	24736	11548
Minnesota	87170	4072	28159	20441	21344	9875	13154
Mississippi	101217	10167	27309	19575	37253	25624	6913
Missouri	99741	3983	30088	26763	28346	11612	10561
Montana	32215	3214	4436	8507	9865	4304	6193
Nebraska	51087	7669	9881	14105	10897	5252	8537
Nevada	29922	1545	1281	7427	15793	7635	3876
New Hampshire	14800	1335	7110	2249	3166	483	938
New Jersey	150013	5366	43409	24030	70414	44646	6794
New Mexico	39412	4195	2472	10670	17125	10436	4950
New York	826204	15142	169290	131164	467087	284149	43521
North Carolina	130248	18596	45027	22881	34267	22358	9477
North Dakota	28244	3396	2032	8065	8253	4256	6498
Ohio	216644	16822	56096	60455	67884	37736	15387
Oklahoma	170900	13568	16638	47100	66060	35142	22534
Oregon	66431	3767	15400	17347	21192	11381	8725
Pennsylvania	263996	12758	84542	71071	82707	41745	12918
Puerto Rico	50523	4866	16047	5228	5521	2571	18861
Rhode Island	28206	1266	12955	5568	6944	4093	1473
South Carolina	69767	8031	20214	10750	26889	20085	3883
South Dakota	22036	3287	2051	6109	6373	3918	4216
Tennessee	114137	9653	34262	27037	36140	22188	7045
Texas	535141	59164	76255	156653	190409	118887	52660
Utah	36886	2710	5529	10897	11504	4280	6246
Vermont	12854	1793	2425	2986	4659	1606	991
Virginia	109370	15951	21492	24507	38257	24555	9163
Virgin Islands	1490	210	268	251	576	393	185
Washington	81924	2757	13869	17183	22217	11052	25898
West Virginia	23886	1425	4957	7736	11928	7734	2840
Wisconsin	73748	2092	32312	14053	17295	7855	7996
Wyoming	14782	2133	1025	3606	4927	2597	3091

1/ Includes forestry and fishing; mining; transportation, communication, and other public utilities; finance, insurance, and real estate; government; establishments not elsewhere classified.

Table 5.—Status of MDTA Institutional and ARA Training Programs Through December 1964 1/

	MDTA Institutional Program				ARA Program 2/			
	Approved projects		Approved trainees		Approved projects		Approved trainees	
	December 1964	Cumulative	December 1964	Cumulative	December 1964	Cumulative	December 1964	Cumulative
TOTAL	281	4,992	18,329	285,516	16	876	601	39,262
Alabama	3	39	90	6,384	1	13	30	1,114
Alaska	1	16	40	1,738	2	10	325	550
Arizona	-	32	-	2,204	-	4	-	215
Arkansas	2	61	206	1,829	1	34	40	1,310
California	51	421	2,804	26,503	-	2	-	84
Colorado	4	57	330	2,522	-	6	-	116
Connecticut	-	129	-	10,123	-	14	8	1,121
Delaware	1	10	40	563	-	-	-	-
Dist. of Columbia	1	38	36	2,633	-	-	-	-
Florida	4	3/ 103	127	6,763	-	2	-	107
Georgia	6	64	200	4,602	-	5	-	493
Guam	-	2	-	85	-	-	-	-
Hawaii	3	22	106	848	-	6	-	137
Idaho	1	29	30	537	-1	4	-30	47
Illinois	4	3/ 218	2,460	18,859	-	27	-	1,592
Indiana	7	101	935	5,873	-	5	-	522
Iowa	3	70	155	2,486	-	2	-	60
Kansas	7	77	601	2,748	-	4	-	58
Kentucky	5	170	626	8,223	-	51	-	1,559
Louisiana	10	14	765	905	-	1	-	30
Maine	4	3/ 75	560	4,562	-	27	-	824
Maryland	-	3/ 40	-	2,654	-	9	-	511
Massachusetts	14	231	441	10,591	-	20	-	739
Michigan	7	248	242	12,839	-1	70	-120	4,610
Minnesota	1	69	579	6,354	-	11	-	1,237
Mississippi	-	5	-	2,205	-	-	-	-
Missouri	7	179	505	8,551	1	9	30	520
Montana	1	53	15	1,020	-	19	-	707
Nebraska	3	48	263	2,809	-	-	-	-
Nevada	6	48	158	2,145	-	5	-	265
New Hampshire	1	3/ 46	-	1,914	-	-	-	-
New Jersey	11	3/ 167	38	5,583	1	30	40	1,796
New Mexico	2	39	95	1,347	-	21	-	998
New York	11	3/ 278	1,117	26,163	-	4	-	280
North Carolina	-	3/ 88	-	4,916	-	62	-	1,407
North Dakota	3	52	90	924	-	17	-	357
Ohio	13	258	236	11,869	-	40	-	1,235
Oklahoma	-	55	420	5,812	1	49	30	2,313
Oregon	1	56	50	3,949	2	4	35	120
Pennsylvania	11	266	954	13,929	6	64	143	3,442
Puerto Rico	31	255	954	6,476	-	10	-	590
Rhode Island	1	35	5	1,165	-	13	-	1,108
South Carolina	6	27	160	6,556	-	4	-	407
South Dakota	3	23	68	464	-	13	-	328
Tennessee	-	98	-	4,795	1	34	19	1,050
Texas	3	3/ 167	120	6,521	-	33	-	646
Utah	4	42	106	1,147	-	-	-	-
Vermont	-	41	-	1,045	-	3	-	70
Virginia	8	80	298	4,421	-	1	-	96
Virgin Islands	-	27	-	499	-	-	-	-
Washington	5	70	1,170	6,990	2	10	75	475
West Virginia	2	41	30	3,754	-	50	-	3,012
Wisconsin	3	91	62	4,781	1	42	48	973
Wyoming	5	21	43	309	-1	1	-12	12
American Samoa	-	-	-	-	-	1	-	20

1/ Monthly data increase unless otherwise noted. Monthly and cumulative data adjusted for project amendments and withdrawals.
2/ Includes institutional and on-the-job projects.
3/ Revised.

U.S. GOVERNMENT PRINTING OFFICE 1965 O—763-233

Representatives from many nations at a recent IAPES national convention.

International Activities of IAPES

The international aspects of the work of the International Association of Personnel in Employment Security have received increasing emphasis during the last few years. Greater attention has been paid to furthering Objective 6 of the international constitution:

To contribute toward the advancement of peace, goodwill, and international understanding through world fellowship among persons engaged in work involving employment placement and/or unemployment insurance.

Organized affiliates of IAPES originally consisted of the United States and Canada. A strong Japanese national affiliate with several thousand members was also organized during the years immediately following the end of World War II. More recently, employment security members in Iran and Indonesia have formed national organizations and affiliated with IAPES. There are now members-at-large in 48 other nations. Several new national affiliates may be organized in the near future.

Greater emphasis on the *INTERNATIONAL* in IAPES reached a high point at the national convention in San Francisco, Calif., in 1964. In addition to Canada and Japan, there were representatives who participated fully and voted in convention proceedings from 20 nations: Afghanistan, British Guiana, Chile, Congo, Greece, India, Indonesia, Liberia, Mali, Nigeria, Pakistan, Peru, Philippines, Senegal, Tanganyika, Thailand, Togo, Turkey, Uganda, and Viet Nam. More than 1,000 members attended the International luncheon in honor of overseas members of the association which was addressed by Glenn Ferguson, Associate Director of the Peace Corps. Many of the foreign delegates appeared in native costumes and interpreters were available to translate messages from French and Japanese to English.

The common professional interest in employment security and manpower programs is seeking an international voice and a means of communicating and exchanging ideas about these problems. The IAPES should play an even greater role in fulfilling this need in the future.

EMSR SEPT
UNIVERSITY MICROFILMS, INC
STEVENS RICE
313 N FIRST ST
ANN ARBOR MICH

GOVERNMENT PRINTING OFFICE
DIVISION OF PUBLIC DOCUMENTS
WASHINGTON, D.C. 20402

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(GPO)

THE EMPLOYMENT SERVICE REVIEW is published by the Bureau of Employment Security with the cooperation of the State Employment Security Agencies, and is distributed without charge to personnel of the National and State Employment Security offices. It is also available on subscription at $3.00 a year (single copies 30 cents) from the Superintendent of Documents, Government Printing Office, Washington, D.C., 20402. In countries other than the United States, Canada, and Mexico, annual subscription is $4.00.

Expressions of opinion in articles published in the REVIEW are those of the authors and are not to be construed as official opinions of the Bureau of Employment Security.

Use of funds for printing this publication approved by the Director of the Bureau of the Budget January 10, 1964.